

STATE OF CALIFORNIA – THE RESOURCES AGENCY  
BEFORE THE  
CALIFORNIA ENERGY COMMISSION (CEC)

In the matter of,	)
	) Docket No.
Proposition 39:	) 13-CCEJA-1
California Clean Energy Jobs	)
<u>Act</u>	)

**Proposition 39 Webinar:**

**2013 Program Implementation Draft Guidelines**

Wednesday, October 9, 2013

9:00 A.M.

## APPEARANCES

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1 P R O C E E D I N G S

2 OCTOBER 9, 2013

9:00 A.M.

3 UNIDENTIFIED SPEAKER: Okay good morning, this  
4 is the California Energy Commission and we are about to  
5 start our webinar today on Proposition 39 Draft  
6 Guidelines.

7 And I'd requested, before we start, again if  
8 you'd just joined, please mute yourself on your end so  
9 that we can avoid feedback at this presentation. Thank  
10 you.

11 MS. SHIRAKH: Okay, hello everyone. My name is  
12 Liz Shirakh and I'll be presenting the Prop 39 Draft  
13 Guidelines today in this webinar. And I thank all of  
14 you for taking time out of your day to make public  
15 comment on these important guidelines.

16 I'd like to remind all the listeners that this  
17 will be recorded. The purpose of this meeting is to  
18 share the guidelines. Public comments and questions, we  
19 will be doing that at the end of my presentation of the  
20 guidelines.

21 So, we're still kind of getting all of the  
22 numbers from our end so it will become a clearer  
23 presentation for everyone.

24 So, I'm getting a little bit of feedback again.  
25 So, if you are listening, if you can mute your phone so

1 it makes a clear connection for everyone.

2 Okay, the slides are a presentation of the draft  
3 guidelines, so a few of you, you might know this  
4 information because you have read the guidelines. For  
5 others, this will be their first look at the guidelines  
6 and it is a --

7 (Operator Interruption)

8 PAT: Okay, we're still hearing folks on the  
9 line. If I can ask everyone to please mute your lines,  
10 otherwise we hear competitive conversations.

11 So, I'm going to wait until the line is clear  
12 before we continue. Sorry about this, folks, but we've  
13 got a lot of folks on the line.

14 UNIDENTIFIED SPEAKER: We strongly recommend you  
15 mute all of us except the presenter (inaudible) --

16 PAT: Yes, that's what we're attempting to do.

17 Okay, so as I said the purpose of this meeting  
18 is to collect comments. So, we encourage comments,  
19 suggestions, questions. These draft guidelines, we have  
20 a public comment period until October 25th in  
21 preparation for the final draft guidelines to be  
22 considered at a December 19th business meeting.

23 (Off-record conversation)

24 PAT: So, just an overview of today's  
25 presentation, I'll give you a quick summary of the

1 California Clean Energy Jobs Act, which is the Prop 39.  
2 I'll talk a little bit about the elements of the  
3 program.

4 The majority of my presentation will be an  
5 overview of the guidelines that --

6 (Operator Interruption)

7 PAT: Got it. Okay, one more time, I'm just  
8 asking if everyone that's listening, there's a lot of  
9 callers coming in, if you would put your phone on  
10 mute -- we're trying to mute you all from this end but  
11 it's a manual process and with over 200 callers it takes  
12 a while to go through the list.

13 So, again, if you could mute on your end that's  
14 great, we appreciate it. As soon as we get that, I'll  
15 continue.

16 And we'll have our questions, comments at the  
17 end and then a wrap-up. But just a quick overview of  
18 this.

19 Okay, California Clean Energy Jobs Act is really  
20 a (inaudible) of two recent acts, Proposition 39, which  
21 is the California Clean Energy Jobs Act and Senate Bill  
22 73, which was the enacting legislation.

23 The purpose of the -- we're getting feedback. I  
24 think as we get into the presentation it might be a  
25 little bumpy getting everyone on mute, so I really

1 appreciate all your patience.

2 The objective is to create good paying energy  
3 efficiencies and clean energy jobs in California,  
4 energy-efficiency programs and to find accountability of  
5 the money that's being appropriated.

6 The majority of the guidelines that I'm going to  
7 be going over, our requirement is to fund these two  
8 laws. And the Energy Commission recognizes that there  
9 is a delicate balance between meeting the requirements  
10 of these laws, for example full public accountability  
11 and energy savings by projects, and we also recognize a  
12 need to make this program a program that LEAs, school  
13 districts, schools, county office of education, so  
14 schools can fully participate in and that these funds go  
15 to those, the much-needed energy projects.

16 So, it is a balancing act putting this program  
17 together.

18 Go to the next slide. So, the elements of the  
19 program, \$428 million, of course, for LEAs and community  
20 colleges for retrofitting energy projects, and energy  
21 savings, and job creation.

22 Eighty-nine percent will go to community college  
23 districts, county off of education from charter schools.  
24 That's \$281 million for this fiscal year, 2013-14.

25 And 11 percent will go to --

1 (Interruption)

2 PAT: Okay, sorry about that. We're having a  
3 little cooking lesson in the middle of that.

4 So, 11 percent will go to the community college  
5 districts, which is \$47 million. And for this  
6 (inaudible) that's a separate program that really won't  
7 be pertinent to go into too much detail on.

8 The next slide, please. So, the California  
9 Energy Commission also is getting \$28 million for our  
10 ECCA Loan Program, which provides low-interest -- or no-  
11 interest loans in this case or technical assistance.

12 And also, \$3 million was allocated to the  
13 California Workforce Investment Board for a competitive  
14 grant program.

15 And, finally, \$5 million was appropriated  
16 through the Budget Act of 2013-14 to the California  
17 Conservation Corps for programs for youth.

18 Okay, so now we'll start going into the draft  
19 guidelines. It's basically divided into three chapters.  
20 The first chapter is background information. The second  
21 chapter is really the substance of the K-12 Program, and  
22 the third chapter is a brief overview of the other  
23 elements of the program, like the ECCA Program, the  
24 California Conservation Corps and the Workforce  
25 Development Program.



1           And, finally, there's an appendix that has a lot  
2 of detailed information and that is referenced  
3 throughout the document.

4           So, we'll start with the Chapter 1: Background  
5 Information. This section is on page 1 through 4. I'm  
6 not going to go into a lot of details on this as far as  
7 background information, on the allocations, an overview  
8 of the guidelines, funding distributions, and some  
9 confidentiality, effective date, and changes to the  
10 guidelines.

11           I think one thing I would like to point out,  
12 again, is the effective date of these guidelines will be  
13 the date that they are approved at a California Energy  
14 Commission Business meeting and right now that is  
15 scheduled for December 19th.

16           Moving on to the next slide, Chapter 2, so this  
17 starts on page 5, and first of all we'll talk about the  
18 eligibility.

19           So, this program is for LEAs and which are  
20 county offices of education, school districts, charter  
21 schools, and state special schools.

22           And this is for public buildings that pay their  
23 own utility bills based on a meter.

24           For leased facilities, because some of the LEAs  
25 in California are in leased facilities, it gets a little

1 bit more detailed and complicated.

2           So, in these bullets here you'll see that in a  
3 privately-owned leased facility the LEA's eligible if  
4 they pay their own utility bill, have a separate utility  
5 meter for the building, and the landlord has then  
6 written approval to do the energy work.

7           The next slide, please. Continuing on the  
8 eligibility of the leased facilities, in a public-owned  
9 leased facility, with a separate meter, an LEA would be  
10 eligible. And this would be a situation where it's  
11 owned by another LEA and there's a lease agreement  
12 between the two LEAs.

13           So, in that particular situation they would --  
14 an LEA would be eligible to participate in this program.

15           And the third situation is an LEA that's in a  
16 publicly-owned leased facility without a separate meter.  
17 For those folks, they will be eligible for the program  
18 if it's owned by another LEA, the lease agreement is  
19 between the two of them.

20           And so the two LEAs would have to submit a joint  
21 request for planning dollars and for expenditure plan  
22 and I'll go into more details on what that is.

23           But, basically, it would need to be a joint  
24 application.

25           This particular part of the eligibility

1 requirements, when we're talking about these facilities,  
2 can get a little complicated. The purpose of this  
3 workshop today or this meeting is to go through the  
4 guidelines and to have comments.

5 So, if you have specific comments on eligibility  
6 and project information, this is probably not the venue  
7 to ask those specific questions. But it's real  
8 important that folks know that there are some  
9 requirements regarding these facilities.

10 Okay, so next, this would be on page 7 of the  
11 guidelines, and I think I might have us flip over to the  
12 actual guidelines, if we can go to page 7, and that way  
13 I can show a table that talks about or has a nice visual  
14 of -- there we go -- the tiers.

15 So the way the statute reads is it's basically  
16 set into four tiers, the allocations. So, for Tier 1,  
17 this is an LEA with an ADA of 100 or less we have a  
18 minimum of \$15,000 plus a free and reduced price meal  
19 adder.

20 Then LEAs with 101 to 1,000 have a minimum of  
21 \$50,000, plus the free and reduced meal adder.

22 The third tier is ADA 100 -- I mean 1,001 to  
23 1,999 and that is a minimum allocation or award of  
24 \$100,000 plus the free and reduced meal adder.

25 And then, finally, we have Tier 4, which is the

1 larger organizations that would have an ADA, or average  
2 daily attendance, of over 2,000. And then, again, plus  
3 the free and reduced lunch adder.

4 We'll go back to the presentation, all right,  
5 and -- okay, there we go, thank you.

6 So, the first option that has been advertised  
7 has been this two-year concentration of award option.  
8 In August this year LEAs were notified that they could  
9 choose to combine the first year and second year award,  
10 if you were a Tier 1 and Tier 2, and have that  
11 allocation this year.

12 This will be offered next year as well, in  
13 September. So, if an LEA was not able to take -- submit  
14 that choice this year, they'd have that for year two and  
15 year three.

16 I should mention this is a five-year program.  
17 It's really five one-year programs because each year the  
18 allocations will be determined and will be different,  
19 but this is a five-year program.

20 The next option for LEAs in considering this  
21 program is the energy planning reservation. And that is  
22 on page 8 through 10, if you're going on with your  
23 guidelines. And this has -- we've recently modified the  
24 language in the guideline, because when we were looking  
25 at the final awards this wasn't a blending of the tiers

1 and it was more easily understood by looking at an award  
2 amount versus a tier.

3           These planning reservations option will be  
4 available very soon. In the guidelines it says "now"  
5 because when we were writing them we thought this would  
6 come out at the same time.

7           But the California Department of Education will  
8 be releasing the final award allocation numbers either  
9 late this week or next week for LEAs. And with that  
10 release of the award amount you'll have the opportunity  
11 to request energy planning reservation money now, and  
12 that will be a simple online request through CDE.

13           So, there are some funding limits, though, that  
14 go with that, and this also will only be available this  
15 first year. The energy planning dollars you request in  
16 your first-year allocation you can use throughout the  
17 whole five-year program.

18           But having this option available for planning  
19 dollars won't be an option for years two through five.

20           So, regarding these funding limits, if your  
21 first year allocation is \$433,000 or less you may  
22 request up to \$130,000 of your first-year award for  
23 planning dollars.

24           If your award is greater than \$433,001, then you  
25 may request 30 percent of your award up to \$1 million.

1           There's also some criteria for how that money is  
2 spent and what planning dollars mean.

3           Again on pages, I believe it's 9, there is a  
4 table that goes into more detail. But the planning  
5 dollars are basically using for screening and energy  
6 audits, the project identification -- also for a project  
7 identification through data analytics.

8           And we have set an 85 percent mark. So, 85  
9 percent of your planning dollars can be used for those  
10 activities.

11           The remaining 15 percent can be used for Prop 39  
12 Program assistance. So that will be activities that can  
13 be completing the paperwork involved with the program,  
14 which is an expenditure plan, and the backup material  
15 that goes with that, getting the utility data release  
16 forms from your utility company, completing the  
17 benchmarking requirements. Any of those type of  
18 activities that are assigned with participating in this  
19 program.

20           Okay, we're going to wait until we get --

21           Okay, so moving on to the next slide, continuing  
22 as we walk through the guidelines, on page 12 it talks  
23 about training costs.

24           So, this program does allow funding to be  
25 requested for training of staff for energy-related

1 activities. We're allowing up to 2 percent of the award  
2 or \$1,000, whichever is greater.

3 And also, there is an opportunity to request  
4 funding for an energy manager, where we have currently  
5 10 percent of your yearly allocation or up to \$100,000  
6 can be requested through the expenditure plan for an  
7 energy manager.

8 Now, some LEAs may have a lower allocation  
9 amount and so we encourage LEAs to consider pooling  
10 their funding and jointly hiring an energy manager that  
11 can be shared by multiple LEAs. So, that's just an  
12 option that is available.

13 Okay, so we'll continue to the next slide. And  
14 this section starts on page 12 and it's really an 8-step  
15 process to request funding or to participate in the  
16 program, not necessarily to request the funding.

17 Again, much of these requirements are in  
18 statute. And as you're looking at the guidelines, we've  
19 put the requirements of the statute on Public Resource  
20 Code in a gray box at the beginning of a section, so  
21 it's really clear on what is required by law.

22 Pointing out the first step on page 12, and that  
23 is to provide a signed release form from your utility  
24 company that provides the Energy Commission access to  
25 your utility billing data 12 months prior, and also for

1 future data.

2 And that release form will need to be part of  
3 your expenditure plan. That's something that you can  
4 work on now.

5 Each reporting company has their own unique  
6 release forms so there is not a standard form that the  
7 Energy Commission can provide LEAs.

8 We will be posting more information about that  
9 on our website as the program develops.

10 Step 2 is benchmarking. This is a requirement  
11 of the program and what benchmarking is, is it basically  
12 determines an energy use index. So, this is two  
13 measurements of your energy usage.

14 And for folks that aren't in the energy world  
15 this might sound confusing, but it's really pretty --  
16 it's not that difficult. In fact, we have some helpful  
17 steps to performing benchmarking in the appendix, in  
18 Exhibit D, on page 45 and 46.

19 And we're basically looking for two indexes.  
20 Basically, your energy costs, your 12 months' of energy  
21 costs divided by your square footage, and 1,000 btus per  
22 square footage.

23 We have included all the formulas to do that  
24 and, again, this is something that schools easily can do  
25 by themselves with following the guidance we have on



1 pages 45 and 46.

2           And I'd also like to point out that this is --  
3 we encourage you to benchmark all your facilities  
4 because it's an excellent way of comparing where you  
5 will get your most bang for the buck in investing in  
6 energy efficiency. But it's really only a requirement  
7 for the schools and the facilities that will be having  
8 Prop 39 dollars invested in them.

9           So, we'll go on to the next. So, Step 3 is  
10 prioritizing -- project prioritization consideration.  
11 And these are 11 factors that have been identified in  
12 statute. And you'll see them on the gray box on page  
13 14.

14           So, some of these factors have been kind of  
15 built in to the program, 4 through 7 are pretty much  
16 built in. Like, for example, number 5 is benchmarking.  
17 And for 6 and 7 are really part of your cost-  
18 effectiveness calculation.

19           But we really -- this is a requirement that you  
20 look at these 11 considerations and in the expenditure  
21 plan there will be certification that those have been  
22 considered.

23           Again, this is a requirement of the statute.

24           Another requirement, as you are identifying  
25 potential projects is the sequencing of facility

1 improvements.

2           This section is on page 15. And as you're  
3 looking at how -- what projects you should be targeting,  
4 it's suggested that you look at energy efficiency first,  
5 then next looking at on-site generation, and finally you  
6 considering nonrenewable projects such as, you know, gas  
7 fuel cells.

8           Secondly in this section we have, in Exhibit B,  
9 on pages 36 through 42, a typically cost-effective K-12  
10 energy project. And there is a sample of this on the  
11 guidelines, on page 17.

12           But maybe, let's see -- I'll just quickly talk  
13 about that Exhibit B. It's a listing of projects that's  
14 organized by project category. So, for example, the  
15 first one you see is lighting. Then there is columns on  
16 the left-hand side, there's numbers 1, 2, 3, 4 and some  
17 situations, then there's the name of the type of energy  
18 project.

19           And then on the far right it indicates whether  
20 there is a calculator available for that particular  
21 project or if it would be an energy audit-required.  
22 I'll talk more about that later.

23           Again, these are projects that we have seen  
24 through our Bright School Program. These are typical  
25 projects. This is not -- every school is different.

1 But at least it gives you an idea of the types of  
2 projects that you might want to consider as you're  
3 choosing how this funding will improve your facilities  
4 as far as energy goes.

5 So, moving to the next slide, Step 5, and this  
6 section is on page 17 and 18. This requirement is  
7 actually three options for actually identifying your  
8 projects.

9 So, for simple projects, for example action one,  
10 there may be just an energy survey that is done, a  
11 walkthrough.

12 And to determine your savings of a particular  
13 project that's where that Exhibit B, as I just  
14 mentioned, can be helpful because the Energy Commission  
15 intends to have energy savings calculators available as  
16 a Prop 39 tool on our website. These are being  
17 developed and will be available in December.

18 And that will be an easy way for LEAs to  
19 calculate the estimated energy savings of a project.  
20 So, that's what -- an easy way of determining those  
21 energy savings.

22 Another way an LEA has to determine energy  
23 savings and project economics is option 2, which is an  
24 ASHRAE 2 Level audit. And these would be for more  
25 complex projects and may need a contractor, or utility

1 provider, or an energy manager to actually do that  
2 analysis for you.

3 And the third option are other tools, such as  
4 data analytics, which is a no-touch or virtual audit  
5 that can guide you in directions that would indicated a  
6 potential project, and/or potential areas that might  
7 need an ASHRAE 2 Level audit.

8 So, again, we're trying to lay out options, not  
9 mandate a specific requirement or method of identifying  
10 your energy project savings and analysis.

11 We'll move on to Step 6. This is a cost-  
12 effectiveness determination. This is required in  
13 statute. And we have identified the savings to  
14 investment ratio, and this is basically net present  
15 value savings, your savings over the project cost.

16 In the appendix there is some detailed  
17 information on how that is actually determined. It's in  
18 Appendix E.

19 We will also -- the Energy Commission will also  
20 have SIR calculators available online that you would put  
21 in five or six data points, and that will then calculate  
22 your SIR. We have an SIR for 1.05 so, basically, for  
23 every dollar you invest you should get \$1.05 in return.

24 And that is the cost-effectiveness determination  
25 that needs to be -- it's one of the criteria for an

1 eligibility of a project.

2 Step 7 starts on page 20 and that is the  
3 actually submission of your energy expenditure plan.  
4 The first part, on page 20, talks about how often you  
5 can submit an expenditure plan. So, here we have for  
6 LEAs that are getting less than \$50,000 you have three  
7 options. You can submit a yearly expenditure plan.

8 If you are one of those LEAs that requested  
9 funded your first and second year together, you could  
10 submit a plan that has those two years' funding  
11 together.

12 Or we heard that a lot of LEAs would like to  
13 have the option of submitting a five-year plan that  
14 would cover their estimated future allocations from this  
15 program and have a five-year plan laid out.

16 So, those three options are available for LEA's  
17 with less than \$50,000 allocation for the first year.

18 The folks that fall into the other category --  
19 if you can please double check your phones, okay.

20 You may have an option of submitting expenditure  
21 plans up to four times a year. We realize that these  
22 will be larger allocations. They may need to be broken  
23 up in pieces.

24 You still have the options of having that one  
25 year, bundled year. Really, the other option probably

1 is not available to you, that five-year plan, because it  
2 just would be so large. But we're basically having that  
3 flexibility where you could submit one plan or up to  
4 three -- up to four plans per year.

5 So, moving to the next slide, so that's kind of  
6 how often you can submit. This next slide discusses the  
7 energy expenditure plan.

8 We will not have these forms available in the  
9 final guidelines, but they will be out and available  
10 just as soon as the guidelines are approved.

11 And basically this -- this is kind of the  
12 categories of information that will be in the  
13 expenditure plan.

14 There will be an area where you -- so, if you  
15 have requested energy planning funds, we will have a  
16 section -- (inaudible) -- the expenses plans, how you  
17 expense those kind of (inaudible) -- completing that  
18 section.

19 We'll ask for (inaudible) -- from Step 2 that I  
20 talked about.

21 The third is the actual project upgrades, the  
22 pre-installation verification form. You have the  
23 project description, the energy savings, the details of  
24 the project.

25 Fourth is for those of you who request training

1 funds, we'll have a box for you to do that on this  
2 expenditure plan. Just like the next check for energy  
3 manager, you can request that through the energy  
4 expenditure plan.

5 The statute also requires that you have some job  
6 creation benefits estimates for your projects and we  
7 will have calculators, and then methodology available to  
8 make that determination. That is also in the  
9 guidelines, as far as the methodology.

10 Step 1 that we talked about is utility release  
11 data information is required, like we need to see that  
12 consent from your utility provider.

13 And finally, there will be some certifications  
14 that will need to be signed for various programs.

15 So, those are the major elements of the program.  
16 Probably the first, so let's say actually the pre-  
17 installation verification form is, again, the meat of  
18 where the project proposal is.

19 Now, we'll continue to the next slide. Okay, so  
20 once the expenditure plan is received here at the  
21 Commission we will be reviewing it for completeness,  
22 whether the projects are eligible, looking at the energy  
23 savings and the FRRs, and the technical and financial  
24 reasonability of the projects.

25 Once the expenditure plan is approved, the

1 Energy Commission will notify both California Department  
2 of Education and the LEA that the expenditure plan was  
3 approved. CDE will be "batching" those approved  
4 expenditure plans and processing them quarterly. But  
5 you would know ahead of time, through notification at  
6 the Energy Commission, that your plan was approved.

7 There is also information in the guidelines that  
8 talk about if your plan is disapproved and then the  
9 appeal process.

10 I'd just to like to stress that we, you know,  
11 intend to work with LEAs if there is an issue with an  
12 expenditure plan. We would be contacting you and trying  
13 to work that out with you before you just blindly  
14 received a disapproval type of notification. That's our  
15 typical process in other programs that we work directly  
16 with the applicant and try to work those out.

17 So, moving on to the next slide, Step 8, and  
18 this talks about the tracking and reporting  
19 responsibilities that are a requirement of the program.

20 We'll have a simple quarterly online report that  
21 will be a requirement and as you are implementing your  
22 project that will need to be submitted to us. It will  
23 just kind of give us an idea of where you're at and if  
24 there are any bumps in your project.

25 Final reports, there are seven elements which



1 are required by statute to be submitted and those are  
2 all listed on page 25.

3 And, finally, there are -- we need to see energy  
4 savings. And the energy savings have two -- we will  
5 see -- requesting that we see the energy savings, so  
6 that's going to be your total energy use 12-month  
7 summary prior to the project installation, and then the  
8 12-month summary of energy usage after the project is  
9 complete.

10 The final report will be by expenditure plan.  
11 So, if you had 20 projects on your expenditure plan,  
12 once that final project is complete that would trigger  
13 the final report. You would wait 12 months after that  
14 because we want to see 12 months of energy savings, and  
15 that's when you would be submitting the final report.

16 And then job creation calculation is a part of  
17 that, as well.

18 All right, following the flow of the guidelines,  
19 there's an audit section on page 27, and again just to  
20 make sure it's clear, all projects are subject to audit.  
21 And CDE will usually correct any noncompliance  
22 expenditures through this program.

23 The next slide, please. The final part of this  
24 sector is the -- if there are expenditure plan changes,  
25 we have a list of those on page 27, I think they're

1 actually on 28. There are several bullets that would  
2 trigger a change of scope or a change of plan where the  
3 LEA would need to notify the Energy Commission.

4 For example, if a project just, you know, set  
5 your originally work-through report, and this isn't  
6 going to work out, you know, once you have your bids,  
7 they're too high, or for some reason you don't want to  
8 do it and you would rather put your allocation towards  
9 some other projects, and that would be a trigger that  
10 would require an expenditure plan to be resubmitted.

11 But that's just kind of what are some of those  
12 triggers.

13 On page 28, we do recognize that there are DSA  
14 requirements in compliance. And those are just the set  
15 there.

16 We do recognize that DSA has, you know, methods  
17 in place and we now are working with them to make sure  
18 that these, I guess, are expedited. And this is to let  
19 folks know that the Energy Commission and DSA are  
20 working together on this.

21 Contracts are discussed on page 29. The  
22 guidelines to refer to the LEA's own procurement  
23 regulations and procedures, as long as they reflect  
24 applicable State law and local laws, and are not in  
25 conflict with the minimum standards that are in our

1 guidelines.

2           And the standards that are in the guidelines are  
3 all required by statute. And I'd just like to point out  
4 the third bullet there because it is a requirement of SB  
5 73, and it says, "LEAs shall not use a sole-source  
6 process to award grant proceeds."

7           So, just want to make sure that that is  
8 understood that that is a requirement of SB 73 and you  
9 would have to review with your local procurement or your  
10 own procurement regulations on how that relates.

11           Moving to the next slide, so Chapter 3, this is  
12 the final chapter. And this first page, on page 30, it  
13 talks about the California Energy Commission's ECAA Loan  
14 Program.

15           As I mentioned earlier, we have \$28 million  
16 that's been appropriated to our ECAA Program. That  
17 provides no-interest loans and provides some technical  
18 assistance through our Bright School Program. This will  
19 be technical assistance.

20           The ECAA Loan will be available soon. We have  
21 to provide a notice for that.

22           The technical assistance is available now and  
23 that's up to \$20,000 of free technical assistance to  
24 help identify projects.

25           So, for LEAs that are listening in right now I'd

1 encourage you to consider that as a possible way of  
2 helping you identify projects through that resource here  
3 at the Commission.

4 Another -- moving on to page 32, the other --  
5 there are similar programs. Yeah, the California  
6 Workforce Investment Board has a grant program. They  
7 were appropriated \$3 million. And the details of this  
8 program is still under development.

9 But they will be putting together a competitive  
10 grant program for "learn-and-earn" job training and  
11 placement, and targeting disadvantaged job seekers.

12 And the next slide is the California  
13 Conservation Corps, through the Budget Bill 2013-2014  
14 they were appropriated \$5 million.

15 And again, they are also putting together and  
16 developing a program for their Corps members, and these  
17 are youth 18 to 25, who will be able to do some types of  
18 energy surveys, and data collection, and some basic  
19 energy-efficiency measurement type activities.

20 And finally, going through, we have the  
21 appendix. I've talked a little bit about, referenced  
22 different sections.

23 I'd just like to highlight our Exhibit A is kind  
24 of a visual presentation of the allocation of all of the  
25 Prop 39 money.

1           I talked a little bit about Exhibit B which is  
2 the typical cost-effective projects.

3           Exhibit C is a visual pathway of the eight steps  
4 that I walked through. Many of these eight steps -- or  
5 all of these eight steps are required by everyone, but  
6 there are certain options you can take within those  
7 steps to make it easier.

8           For example, doing an energy survey and using  
9 our calculator for simple project identification.

10          And so that's just kind of a visual pathway,  
11 that Exhibit C.

12          And then Exhibit D we have the benchmarking  
13 process.

14          Exhibit E we have details of how to calculate  
15 your SIR. Really, what are the calculations behind  
16 that?

17          And Exhibit F has the effective use for life,  
18 various measures, and that information is used in our  
19 calculators.

20          Job creation benefits calculation is in there.

21          And then, finally, we have the definitions and  
22 lots of acronyms for folks that, you know, if you see an  
23 acronym, an acronym in the guidelines you can refer back  
24 to that. What the heck does that mean?

25          So, that concludes my walk through of the

1 guidelines. I'd just like to briefly, again, review our  
2 summary of our schedule and then we can go into some  
3 questions and answers.

4 Again, those guidelines were posted on the 27th  
5 and we're holding a series of public meetings. I think  
6 we have five meetings and three webinars, like the one  
7 you're participating in today, through October 22nd.

8 We'd like or we need to have all comments  
9 received by October 25th. And then in November we'll  
10 have the posting of the final guidelines in anticipating  
11 with considering going to the December 19th Business  
12 meeting.

13 And once the guidelines are approved we will  
14 begin implementing the program and expecting expenditure  
15 plans.

16 So, that's the schedule. So, moving to the next  
17 slide, we will -- again, you know, the purpose of this  
18 is to gather questions and hopefully provide some  
19 answers, get comments.

20 Again, this is recorded so we will have that  
21 available to go back on.

22 We plan to post some frequently asked questions  
23 and answers on our website as we gather all of these  
24 comments. And, obviously, they will be considered in  
25 our final draft of the guidelines.

1           Oh, yeah, the Power Point that you see today is  
2 going to be posted on our website. It's the  
3 Commission's website and our Prop 39 webpage.

4           I'd also -- if we can go to the next slide --  
5 like to encourage folks, if you want, you know,  
6 obviously you can ask questions through today's forum.  
7 But, also, we have available through our docket process,  
8 if you can e-mail us your questions, comments to docket  
9 at energy.ca.gov, and in the subject line put "Docket  
10 No. 13-CCEJA-1", and also include "comments on Prop 39"  
11 that will ensure that we have received your question and  
12 your comment. And again, we need to have all of those  
13 by the close of business on the 25th of October.

14           So, yeah, I think we're ready to do that.

15           MS. COLLOPY: Okay, so we are going to -- and  
16 this is Christine Collopy, with the Efficiency Division,  
17 and I'm working with those on this project.

18           The way we're going to do question and answer,  
19 because I have all of you on mute, is I'm first going to  
20 take the questions that have people have typed into the  
21 chat box. That's going to be the most efficient way for  
22 you to have your questions answered.

23           So, if you're sitting at your computer and  
24 you're on the WebEx, pull down your top menu and there  
25 will be a chat function. You can type your question in

1   there and we're going to read them aloud, and then we're  
2   going to answer them.

3               Alternatively, you can raise your hand, through  
4   the "raise-your-hand" feature on WebEx.

5               We will be able to identify you. We can unmute  
6   you and then you could ask your questions aloud.

7               So, we will take the chat questions first and  
8   Liz will provide the response. Bear with me one minute,  
9   okay.

10              Okay, so the first question is from Bruce Blocks  
11   (phonetic). The question is "What if a charter school  
12   pays the utilities as part of the lease agreement as  
13   opposed to pay the utility bill directly are they  
14   eligible?"

15              MS. SHIRAKH: Good question. I think there's  
16   plenty -- these facilities have been the most  
17   problematic part of doing this. I believe that you need  
18   to pay it directly because we -- the part of their lease  
19   agreement we cannot -- we don't know what that bill is.  
20   And it might -- you know, they might want to work out  
21   some deal with their landlord where they separate that  
22   so we can see the actual utility billing data, or the  
23   actual bill, because they need to be responsible for  
24   that bill.

25              So, at this point I would encourage them to try



1 to separate that so it wasn't just a, you know, fixed  
2 part of their monthly lease.

3 MS. COLLOPY: The next question is from Alice  
4 Fong (phonetic). "When will be announced of the award  
5 for each LEA be announced? It was supposed to be in  
6 September."

7 MS. SHIRAKH: Yes, as I mentioned in the  
8 beginning, those allocation amounts should come out very  
9 soon from CDE, as early as this week. I should probably  
10 say next week so I'm not -- but very soon. You're  
11 right, it did say September, but those will be announced  
12 in October. Then in October we'll have an open period  
13 for the LEAs to submit for planning funds. Those  
14 planning funds then will be -- a check will be released  
15 in November through the Controller's Office. And I  
16 believe in January CDE will have another open time,  
17 month so LEAs can request planning funds again in  
18 January.

19 And then later on in the spring of 2014 there  
20 may be a third period, an open period for requesting  
21 planning funds.

22 MS. COLLOPY: The next is a comment from Irma  
23 Forbath (phonetic). "Southern California Edison offers  
24 benchmarking classes at NEPA (phonetic)"

25 So, the next question is from Alice Fong. "May

1 we bundle some of the projects examples that are listed  
2 in application B altogether in one EE project?" Or is  
3 that Appendix B?

4 MS. SHIRAKH: Probably Appendix. So, we'd  
5 like -- so, it will be more clear when you see the  
6 appliance forms that we need to see the projects listed  
7 individually. But they will be considered -- you will  
8 bundle all of those to get your SIR.

9 So, for example, if you have a project that  
10 doesn't meet the 1.05 SIR requirements, if you have that  
11 bundled in with a group of projects, you know, have  
12 higher ones as long as that average meets 1.05. I hope  
13 that answers your question.

14 MS. COLLOPY: A follow-up to that question, from  
15 Alice is "In the bundling are they limited to a single  
16 site or may the bundle, lighting retrofit for example,  
17 over multiple sites be allowed?

18 MS. SHIRAKH: Okay, we are -- we do recognize  
19 that it's very common to have a technology project by  
20 multiple sites. So, you might have a lighting project  
21 that's going over three schools.

22 Because we need to document, for this program,  
23 energy savings, we are requesting that you're going to  
24 have to break that out as school or site. So, they will  
25 have to break that lighting technology project out by

1 site even though, you know, that technology may be  
2 installed at multiple sites.

3 MS. COLLOPY: The next question is from Anna  
4 Ampostat (phonetic). "We have replaced boilers only to  
5 have a really cold winter and show now gas savings. How  
6 will that be handled? The same with lighting retrofit  
7 but the site added a computer lab."

8 (Operator Interruption)

9 MS. SHIRAKH: Okay, so I think the gist of the  
10 question is you can do an energy-efficiency project but  
11 due to weather conditions, due to change in the use of  
12 your building, you know, you might expand a computer lab  
13 as mentioned here. If you're looking at that gross  
14 energy usage, you might not see the savings.

15 That's why we've build into the program two ways  
16 of looking at energy savings. We will look at that  
17 gross campus-wide energy use, but we also are asking for  
18 estimated energy savings once the project is complete  
19 by, you know, by the project.

20 Again, that can be done if you're getting the --  
21 there's four options listed in the guidelines. If you  
22 are having facility intensive as part of that, the  
23 documentation packets for that can be used to show it.  
24 If it's a simple energy project, you can just use our  
25 calculators with the actual numbers being put back into

1     that calculator for the estimated savings.

2             So, I'm hoping that answers your question.

3             MS. COLLOPY: The next question is related to  
4     the actual guidelines. "Will there be any last  
5     opportunity for public input on the next draft which is  
6     being posted in November?"

7             MS. SHIRAKH: The public input period is now  
8     through October 5th. So, once we've collected this, go  
9     through this process, no. Once we have the final  
10    posting in mid-November, there will not be another  
11    opportunity for public comment.

12            MS. COLLOPY: The next question is if the slides  
13    that are being used today during the webinar will be  
14    made available to the public?

15            MS. SHIRAKH: And, yes, they will be on the  
16    Energy Commission's website, under the Prop 39 webpage.

17            MS. COLLOPY: A question from Jennifer Morris  
18    (phonetic). "In the Governor's Guidance Document that  
19    CEC put out in May, there were IOU program and technical  
20    resources in the appendix. Could these be added to the  
21    guidance under additional resources?"

22            MS. SHIRAKH: We are -- we anticipate that we  
23    will have a handbook that will accompany these  
24    guidelines and in the handbook we would have similar  
25    resources that you saw in the CDE's draft guidance.

1           Okay, yes, there are a lot of useful tools and  
2 resources that were identified in that and there are  
3 additional tools that the Energy Commission is  
4 developing, as well as just general good information  
5 about how to go through this process.

6           So, we do anticipate having an accompanying  
7 handbook.

8           MS. COLLOPY: The next question is from Marty  
9 McGillis (phonetic). "You mention that energy savings  
10 will be verified by 12 months of pre-project energy data  
11 and 12 months of post-project data. How will you  
12 account for other changes in the facility, projects not  
13 included under Prop 39 funds, weather variations,  
14 changes in attendance, et cetera?"

15          MS. SHIRAKH: I think that's very similar to a  
16 question I answered a few minutes ago about the fact  
17 that there's two methods that the guidelines request  
18 energy savings to be provided.

19          MS. COLLOPY: The next question is will you be  
20 posting an editable form for our use? For example,  
21 benchmarking report, project prioritization and cost-  
22 effectiveness determination?"

23          MS. SHIRAKH: At this point we are definitely  
24 putting -- developing cost-effective determination  
25 calculators and tools, and that would be in the form of

1 a form and, you know, we're still trying to determine  
2 exactly what -- whether it would be an Excel spread  
3 sheet or some kind of online form.

4 Good suggestions with the others and that's the  
5 purpose of this meeting is to get other ideas. So,  
6 we'll take that into consideration for benchmarking and  
7 other parts of the program.

8 MS. COLLOPY: The next question is; "Would the  
9 retroactive limitation prohibit an LEA from implementing  
10 a qualified energy project through a properly authorized  
11 change order to a contract which was entered into prior  
12 to the guidelines being approved?"

13 MS. SHIRAKH: I'm sorry, can I have you read  
14 that again?

15 MS. COLLOPY: "Would the retroactive limitation  
16 prohibit an LEA from implementing a qualified energy  
17 project through a properly authorized change order to a  
18 contract which was entered into prior to the guidelines  
19 being approved?"

20 MS. SHIRAKH: I'm sorry. So, retroactive  
21 limitations, so as far as a project goes, a project  
22 cannot -- Prop 39 dollars cannot pay for a project that  
23 happened prior to the guidelines being approved, so that  
24 would be December 19th.

25 Regarding planning dollars it's a bit different.

1 The retroactive limitations on that would be the date of  
2 the legislation being passed, which is July 1st. So, we  
3 are allowing you to request planning dollars that could  
4 pay for an audit that happened, say, in August of this  
5 year.

6 MS. COLLOPY: The next question is; "Can we  
7 submit multiple projects in a single plan?"

8 MS. SHIRAKH: Yes and that's the intent. We  
9 also anticipate you might be submitting multiple schools  
10 with multiple projects in a single plan.

11 MS. COLLOPY: "Please explain how the free lunch  
12 portion of the funding is calculated?"

13 MS. SHIRAKH: I'm going to have to defer that  
14 question. I don't know the statistics behind that. We  
15 have received that question through our e-mail process  
16 and I have that question for further clarification to  
17 the Department of Education.

18 But that will be a question we can respond to on  
19 our -- through our webpage.

20 MS. COLLOPY: "Can the energy manager be an  
21 outside consultant, meaning not a paid employee?"

22 MS. SHIRAKH: The draft guidelines are silent on  
23 that. I think -- so, you can hire a school employee to  
24 be that energy manager. You can also hire an outside,  
25 third-party person to be the energy manager.

1 MS. COLLOPY: "Can you explain the \$433,000  
2 cutoff with the planning awards?"

3 MS. SHIRAKH: You know, that does seem a  
4 little -- that number. But there's definitely some  
5 logic and math behind it.

6 The adder actually adds -- can add considerably  
7 to certain allocations. So, in years two and three the  
8 top award in those categories is around \$130,000. So,  
9 we wanted to make sure that anyone in Tier 4, because  
10 the way it works is there's kind of a -- in Tier 4 there  
11 are some LEAs that are not doing as much as the ones in  
12 Tier 2 and Tier 3. So, it's a little counter intuitive.

13 We want to make sure anyone in Tier 4 gets --  
14 can have that opportunity to get a hundred percent of  
15 their -- a hundred and -- or at least \$130,000.

16 So, 30 percent of \$433,000 is \$130,000. I'm not  
17 sure -- you know, I guess a more simplified way is it's  
18 really a blending of award amounts through those tiers  
19 and that seemed to be the most equitable way of making  
20 some cutoffs.

21 MS. COLLOPY: The next question is; "Will the  
22 Conservation Corps and Workforce Development be seeking  
23 third-party trading services?"

24 MS. SHIRAKH: Those programs are still under  
25 development. I really can't speak for those programs.



1 They are being developed independently, outside the  
2 Energy Commission. I guess my best is to just stay  
3 tuned and see what develops in those programs and what  
4 opportunities are available.

5 MS. COLLOPY: The next question is; "Will  
6 avoided costs be subject to weather correction? If so,  
7 who will be responsible for correlating accounts from  
8 weather stations and for performing weather  
9 progressions, the school district, or the college, or  
10 the CEC?"

11 MS. SHIRAKH: I'm not quite sure I know how to  
12 answer that question. So, I might refer back to we will  
13 definitely take note of that question and post a  
14 response on our Q&As because I don't feel I would give  
15 you a good answer at this point.

16 MS. COLLOPY: The next question is, "Are private  
17 schools eligible for funds?"

18 MS. SHIRAKH: So, I'm assuming that means that's  
19 a private charter school. So, if you are receiving  
20 funding from CDE and you fall into the eligible category  
21 of an office of education, a school district, a charter  
22 school or a State special school you would be eligible.

23 MS. COLLOPY: The next question is; "How long  
24 natural gas (inaudible) numbers be submitted for the  
25 LEAs?"

1           We're getting a little bit of feedback.

2           "How will natural gas" -- again, if you can keep  
3 your phones on mute it's really helpful.

4           MS. COLLOPY: Okay, I'll try this one more time.

5           "How will natural gas base prime numbers be submitted  
6 for those LEAs that procure their gas through third-  
7 party suppliers who don't have a request form of their  
8 own?"

9           MS. SHIRAKH: We'll take note of that and we'll  
10 have to get back to you. You know, this program is  
11 under development. It's a very complicated program and  
12 there are always little nuances like this that pop up.  
13 So, I apologize for not answering on the spot but we  
14 will get back to you on that.

15           MS. COLLOPY: The next question is on page 12,  
16 "What is the rationale for providing training funding  
17 for classified employees only? What are you envisioning  
18 for this training?"

19           MS. SHIRAKH: Well, the rationale for classified  
20 employees is that that was what is in the Public  
21 (inaudible) Codes, that SB 73 states.

22           What do we envision for that training? It's  
23 fairly open to training that would promote energy  
24 savings, energy efficiency, energy training in your  
25 facilities. It could be a training course to help you

1 better operate your energy management system.

2 It could be a course through your local utility  
3 company on how to, you know, better operate the  
4 building. It's pretty open.

5 MS. COLLOPY: The next question is "Does the  
6 funding roll over from one year from the next if not  
7 expended in that year?"

8 MS. SHIRAKH: Yes. So, if you don't request  
9 your funding this year, you don't submit an expenditure  
10 plan this year, you could have year one and year two.  
11 So, it's not a, you know, if you don't use it you lose  
12 it, so it will be available.

13 MS. COLLOPY: "In regards to funding can you  
14 save each annual award and apply it to the project in  
15 the next -- in year five?"

16 MS. SHIRAKH: Yes and I think that's similar to  
17 the question I just answered that this is a five-year  
18 program, money can be rolled over to the next year.  
19 Obviously, we encourage you to get those funds spent as  
20 soon as you can because these are going to be energy  
21 savings in your pocket.

22 So, you know, as you implement energy-efficiency  
23 projects now you'll start seeing those benefits. But,  
24 yes, you can delay if you choose to.

25 MS. COLLOPY: The next question is "Will a

1 standard project submittal form be available?"

2 MS. SHIRAKH: Yes, we will have standard -- good  
3 question. We will definitely have standard expenditure  
4 plan forms. We will also have standard reporting forms.  
5 And all of this is under development and will be  
6 available on our website under, you know, program  
7 implementation phase.

8 MS. COLLOPY: The next question is "How quickly  
9 will the funds for planning be released once the request  
10 has been made?"

11 MS. SHIRAKH: As I stated earlier, this first  
12 round we'll have opening in October and my understanding  
13 is that those funds will be released in November, so the  
14 following month.

15 MS. COLLOPY: The next question is "What are the  
16 penalties for an LEA if a project does not obtain  
17 forecasted energy savings?"

18 MS. SHIRAKH: I don't think there is a penalty.  
19 I think there will be audit processors here. So, if it  
20 was a glaring misuse of funding that would be one thing.  
21 If there was no energy savings because of no fault of  
22 your own, I don't think that would -- you would be  
23 penalized.

24 I know, for example, under our ECAA Program we  
25 have energy project loans and sometimes, you know,

1 rarely but there are situations where you need a little  
2 technical assistance to identify, you know, why that  
3 project isn't giving you the savings that you expected.

4 MS. COLLOPY: "Is there a percentage allocation  
5 for the amount of monies to be spent on Northern and  
6 Southern California?"

7 MS. SHIRAKH: No, there are not. This is a  
8 formula-based (inaudible) -- there's no regional or  
9 geographical allocations as part of the formula.

10 MS. COLLOPY: "When will funds be released?  
11 When can I hire an architect to design the project?"

12 MS. SHIRAKH: Okay, the funds for your project  
13 implementation are released as an approved expenditure  
14 and you will be submitting those expenditure plans to  
15 the California Energy Commission, who will review and  
16 approve them.

17 And as I pointed out, then we will be releasing  
18 the funds.

19 So, once you have that approved expenditure plan  
20 you can move forward on your project implementation.

21 MS. COLLOPY: The next question is "Can you  
22 provide more information on the type of activities  
23 covered under planning and audit fund requests? Would  
24 this include benchmarking, data analytics, development  
25 of detailed implementation plans with multiple

1 projects?"

2 MS. SHIRAKH: Yes. Benchmarking is an allowable  
3 expense under the category of Prop 39. That's on page  
4 9.

5 Data analytics would fall under the category of  
6 energy surveys or energy audits. We have three -- so,  
7 we're going to have the ASHRAE Level 2 audit. Energy  
8 surveys for data analytics. That's the 85 percent of  
9 energy planning funds can be on that.

10 And then benchmarking, identifying all your  
11 utility data information to get that utility data  
12 release form. Any of this documentation, paperwork  
13 effort that goes into Prop 39 can be considered an  
14 energy planning expense and paid for with these energy  
15 planning funds.

16 MS. COLLOPY: The next question is "What could  
17 (inaudible) -- one moment.

18 The question is "What provisions are in place to  
19 ensure that schools take advantage of existing utility  
20 e-programs, the application to their e-progress? What  
21 Prop 39 funds are (inaudible) --"

22 MS. SHIRAKH: We encourage leveraging of any  
23 funds you have access to. So, you have (inaudible)  
24 programs, other programs that are out there. There's  
25 absolutely no penalty for that and, in fact, it's

1 greatly encouraged.

2           So, it's really important that, yeah, we're  
3 encouraging people to leverage with the utility  
4 programs.

5           MS. COLLOPY: The next question is "Are you  
6 required to spend all of the funds each year?"

7           MS. SHIRAKH: And I think we've answered that.  
8 No, you're not required to. It rolls over to the  
9 following year.

10           MS. COLLOPY: The next question, "It was noticed  
11 to LEAs, public school districts will be notified of  
12 their award amounts in the next couple of weeks. How  
13 and to whom will this notification be made?"

14           MS. SHIRAKH: Okay, good question. The CDE will  
15 be announcing that. We will also -- on our webpage we  
16 will also have that listing of all the LEAs and the  
17 awards on our Energy Commission webpage, as well. So,  
18 there will be two ways of noticing that.

19           I would imagine the Energy Commission will  
20 probably, as well as CDE, send out an e-mail blast.

21           MS. COLLOPY: If you're not already part of the  
22 Prop 39 list serve at the Energy Commission, it's really  
23 important that you go to the Energy Commission's  
24 website, Prop 39 webpage, and sign up for the Prop 39  
25 list serve. You will be notified of every activity that

1 then occurs from this point forward.

2 The next question is, "On page 19 where will  
3 LEAs put the data for input values for the SIR  
4 calculator for vendor or contractor?"

5 MS. SHIRAKH: Definitely that's one method. You  
6 could get those yourself if you have that capability.  
7 We'll have the energy savings calculators available,  
8 where you put in the energy savings, demand savings and  
9 get that off of your utility bills.

10 You would have to get the project installation  
11 cost from your contractor, so kind of a combination.

12 MS. COLLOPY: The next question is "Can LEAs use  
13 Prop 39 funds to replace old, portable buildings,  
14 assuming a more energy-efficient building is provided?"

15 MS. SHIRAKH: No, this would not be for the  
16 whole building. This is for equipment within a building  
17 and equipment within existing buildings.

18 MS. COLLOPY: The next question, "Is there a  
19 deadline to expend the money from the time of your grant  
20 approval per year?"

21 MS. SHIRAKH: No, but there is a final deadline.  
22 The final deadline is June 30th of 2020. That's when  
23 all projects will have to be completed.

24 Obviously, it's encouraged that you complete  
25 them sooner. As we go through the first year, the first



1 couple of years of project implementation, you know,  
2 we'll have to assess how fast these projects are moving  
3 forward.

4 But at the current time the final date is June  
5 30th of 2020.

6 MS. COLLOPY: The next question is "If a  
7 district would like to hire an energy manager right away  
8 to help with the planning and benchmarking, and  
9 eventually continue on during the life of the project  
10 and the Prop 39 program, can they get an early release  
11 of funding for the energy managers concurrent with the  
12 planning funding release?"

13 MS. SHIRAKH: Good question. Once the  
14 expenditure plans are available in December it could be  
15 just a simple request for that energy manager through  
16 that.

17 So right now, the way it's structure is that you  
18 can ask for up to 10 percent. So, if you were doing  
19 that out of your first-year funding, that would leave 90  
20 percent available for funding. So, I guess that would  
21 not (inaudible) --

22 And I'd also like to point out that we do -- we  
23 are incurring that first-year funding for those Prop 39  
24 planning activities so schools will have that available  
25 even if they're not planning to hire an energy manager

1 this first year.

2 MS. COLLOPY: The next question is "What if our  
3 school has so much existing solar generation that there  
4 are no net energy charges? I do still have data on some  
5 portions that is not able to be determined solely by  
6 looking at the electricity bill."

7 MS. SHIRAKH: Well, we would look at your  
8 consumption, so we would be requesting that. Again,  
9 there's going to be a lot of individual unique  
10 situations here and we'll have to try to deal with those  
11 as programs develop. But we will definitely be looking  
12 at your energy consumption.

13 MS. COLLOPY: The next question is, "From page  
14 11 of the guidelines it states that the LEA's receiving  
15 over \$1 million must spend 50 percent of their  
16 allocation on projects over \$250,000. Can the entire  
17 \$250,000 be spent on one school site or can a project be  
18 a single project across multiple school sites, such as  
19 an EMS installation at multiple school sites?"

20 MS. SHIRAKH: The current rate structure is that  
21 would be \$250,000 at a single school site. You know,  
22 this is a kind of an interesting requirement of SB 73,  
23 so we -- I encourage you to submit, you know, what LEAs  
24 think will work best for them.

25 But as currently the way it stands is that would

1 be by site.

2 MS. COLLOPY: The next question is "Can the  
3 yearly allocations be rolled over and extended in future  
4 years and on larger projects?"

5 MS. SHIRAKH: Yes, yes.

6 MS. COLLOPY: The next question is "Can a school  
7 district utilize Government Code Section 4217.10, the  
8 energy conservation provisions to award a contract?"

9 MS. SHIRAKH: Yeah, I am not familiar with that  
10 specific code requirement. My recommendation is that  
11 you, again in our contract section, you follow your  
12 procurement requirement, but you also need to be aware  
13 that the statute regarding Prop 39 funding has specific  
14 requirements. So, your legal department may need to  
15 make a determination on that.

16 MS. COLLOPY: The next question is "There are  
17 several months of delay built into the funding process.  
18 When can the LEA begin contracting for work? As soon as  
19 CEC approves or must they wait for the allocation to be  
20 received? Would the ECAA funding be available quickly  
21 enough to provide the bridge funding?"

22 MS. SHIRAKH: It's my understanding that as soon  
23 as the Energy Commission approves an expenditure plan  
24 the LEAs can begin working on that project.

25 They wouldn't have to actually wait for the CDE

1 to cut the check. And it's my understanding, from CDE,  
2 that's a very common practice.

3 So, I hope that answers that particular  
4 question.

5 MS. COLLOPY: The next question is "If the Prop  
6 39 funding will be for five years and the State will not  
7 receive enough tax revenue in later years, will it be  
8 possible that we will not receive money due to lack of  
9 funding?"

10 MS. SHIRAKH: You know, it's possible, I can't  
11 predict. That is unknown at this time. The revenue is  
12 expected to be in and you're expected to receive your  
13 allocations.

14 MS. COLLOPY: The next question is "What fund  
15 resource should the funds be deposited into?"

16 MS. SHIRAKH: To me that sounds like a question  
17 that each LEA, the county mechanism would have to work  
18 out, or a CDE question that I am -- you know, from the  
19 Energy Commission's perspective, that's a question I  
20 can't answer.

21 MS. COLLOPY: The next question is "Can an LEA  
22 use Section 4217 to select a private (inaudible) -- so  
23 long as the selection is competitive and not sole-  
24 source?"

25 MS. SHIRAKH: Again, you need to defer to your

1 local and whatever your regulations are.

2 MS. COLLOPY: The next question is "In terms of  
3 leveraging additional dollars, can LEAs buy down their  
4 payback period by putting bond dollars or deferred  
5 maintenance dollars toward their Prop 39 projects?"

6 MS. SHIRAKH: I'm not quite sure how to answer  
7 that question. We'll get back to you on the Q&As on  
8 that one.

9 UNIDENTIFIED SPEAKER: Okay, next question is  
10 from Peter Woofer (phonetic).

11 MS. SHIRAKH: It says (inaudible) -- I'm sorry  
12 but I'm not sure what you're referring to, so I think  
13 we're going to go to the next question.

14 UNIDENTIFIED SPEAKER: And the next question is  
15 "Southern California Regional Energy Networks  
16 (inaudible) -- have been developing a method for  
17 expediting project identification and implementation by  
18 signing master agreements with a pool of professional  
19 providers, as well as contractors through an open  
20 solicitation process. If we were able to do this with  
21 our project with CCEJA and (inaudible) -- in which  
22 public agencies and joint (inaudible) -- can have access  
23 to those services. And so the vendors were selected  
24 through an open selection process and schools are used  
25 to joining for these service for purchasing supplies.

1 Is it acceptable for the procurement, per the rules, or  
2 is this considered sole-source by the Energy  
3 Commission?"

4 MS. SHIRAKH: Again, I'm seeing definitely a  
5 pattern on this kind of question and you're probably  
6 tired of my patterned response. But again it's --  
7 you're going to really have to defer to what your  
8 authority allows you to do. And we'll try to provide a  
9 little bit more clearer direction on that, but that's  
10 really going to be unique to each organization in  
11 regards to that.

12 But as long as you are -- you know, you have to  
13 find that balance between what your regulations are what  
14 the law says regarding that.

15 UNIDENTIFIED SPEAKER: The next question: "Is  
16 effective use of lights (inaudible) -- how does the  
17 Energy Commission recommend the appliance be useful for  
18 other types of energy-efficiency projects?"

19 MS. SHIRAKH: I guess if you have some  
20 specifics, maybe you can send those in. I have talked  
21 to our engineers and, you know, regarding some of the  
22 renewable generation-type projects. We can probably  
23 look at that on a case-by-case basis.

24 But if you have specific energy-efficiency  
25 projects that you feel are not listed on that list, then

1 send those in through the docket process and we'll see  
2 if we can address that.

3 MS. COLLOPY: Okay, so the next question, "Is a  
4 charter school eligible if they reimburse the landlord  
5 for actual use of any costs, provided they receive  
6 copies of energy bills?"

7 MS. SHIRAKH: Yes, that sounds like you will be  
8 responsible for your energy bills, that you are paying  
9 the energy bills of your facility. So, it sounds like  
10 that would be eligible.

11 MS. COLLOPY: "How do you intend to treat  
12 matching funds from overlapping IOU programs?"

13 MS. SHIRAKH: Well, again, I guess that would be  
14 matching funds to your project. We are encouraging, as  
15 I said before, any leveraging you can do. So  
16 overlapping, so I suppose if you are both -- you know,  
17 specific utility companies and you're able to get  
18 matching or some kind of resources for that project, it  
19 sounds like a good opportunity. I'm not sure I'm  
20 answering that question quite properly.

21 MS. COLLOPY: And a reminder that what we're  
22 going to do is we're going to save all of these  
23 questions. And the ones that we are unable to answer  
24 today, we will put on our Q&As, and you can refer back  
25 to our website to get the answers to the Q&As.

1 MS. SHIRAKH: Yeah, because there's just a lot  
2 of questions that -- you know, this is a new program and  
3 there's nuances that we just haven't come across, yet,  
4 that will obviously happen once the program starts to  
5 roll out and the guidelines are adopted.

6 MS. COLLOPY: Okay, so the next question is  
7 "Does the ETA's Portfolio Manager qualify as  
8 benchmarking?"

9 MS. SHIRAKH: Yes, it does.

10 MS. COLLOPY: The next question is "Are there  
11 retrofitting product requirements such as DLC, or UL-  
12 approved requirements for lighting projects?"

13 MS. SHIRAKH: No, I don't believe there are any  
14 product requirements. It's more of an energy savings  
15 requirement that these are cost-effective. That's the  
16 criteria for eligible projects.

17 MS. COLLOPY: The next question is "Who do we  
18 contact to get a custom audit?"

19 MS. SHIRAKH: Okay, again that could be a third-  
20 party vendor that could be used. That could be through  
21 our Bright Schools Program, our (inaudible) -- and, you  
22 know, I think I mentioned earlier we will put together a  
23 handbook that has various resources.

24 MS. COLLOPY: The next question is "Will future  
25 utility bills be used to validate the savings? If so,



1 how are factors like weather and occupancy changes taken  
2 into account?"

3 MS. SHIRAKH: And we've answered this before.  
4 So, again, there's two methods, the general growth and  
5 the project-specific.

6 MS. COLLOPY: The next question is "Some  
7 districts have projects that are identified on the  
8 energy expenditure plan that can be completed with Prop  
9 39 funds, but they're also slated to receive funding  
10 through the State Allocation Board's Emergency Repair  
11 Program. Can districts fund a project with Prop 39  
12 funds and if their project is eventually funded through  
13 the Emergency Repair Program re-use or reimburse the  
14 Prop 39 funds to be spent on other projects on the  
15 approved energy expenditure plan?"

16 MS. SHIRAKH: I think that would be a situation  
17 where you could do that but if you were, in fact, then  
18 funding that approved project from another funding  
19 source, you would have to resubmit an energy expenditure  
20 plan to, you know, identify the alternative projects  
21 that you're changing to. So, yes, and you would have to  
22 send in a new expenditure plan.

23 MS. COLLOPY: The next question is about  
24 benchmarking. "Who exactly reports the EUI (phonetic),  
25 is it all schools in the LEA or just the ones selected

1 to receive the funds?"

2 MS. SHIRAKH: It's just the ones selected to  
3 receive the funds. Again, we encourage you to use that  
4 methodology to help identify school sites that may be  
5 the biggest energy users, but as a requirement of the  
6 Prop 39 program it's just the ones receiving funding.

7 MS. COLLOPY: The next question is "Can  
8 installing trees for shade purposes be allowed?"

9 MS. SHIRAKH: Good question. I guess we would  
10 have to see the energy savings calculated for that. And  
11 I think the intent of the program is that we'll have to  
12 see how that works through the project economics.  
13 Again, it meets that SIR requirement and that cost-  
14 effectiveness requirement.

15 So again, on this question you should probably  
16 check back with our Q&As as we approach approval of the  
17 guidelines.

18 MS. COLLOPY: The next question is "If the LEAs  
19 request planning funding and it is approved, is it left  
20 up to the individual LEAs to internally execute the  
21 planning or subcontracts for jobs and utilize the  
22 funding to pay for this project?"

23 MS. SHIRAKH: Yes.

24 MS. COLLOPY: The next question "Is interest  
25 earned on the Prop 39 apportionment to be kept by the

1 district? If so, must it be spent on Prop 39 projects  
2 or other projects?"

3 MS. SHIRAKH: I can't answer that. That's a  
4 great question. I'm happy to talk -- we'll have to work  
5 with CDE on that question. Yeah, that question will  
6 definitely be clarified in our Q&As.

7 MS. COLLOPY: The next question is "Is greenness  
8 also included in the funding?"

9 MS. SHIRAKH: I'm not sure what that means. It  
10 relates to the question we just answered about trees or  
11 it could relate to maybe, you know, greenability, like  
12 using recycled materials in your classrooms. This has  
13 to be energy related. So, if it's an energy project  
14 that improves indoor air quality or something like that,  
15 we have built into the SIR calculator non-energy  
16 benefits. So, those types of green or health safety  
17 benefits are kind of built into the calculator already.

18 So, again, it really has to meet that SIR  
19 requirement or that energy -- that cost-effectiveness  
20 requirement.

21 MS. COLLOPY: "The guidelines indicate that SSPI  
22 will use its standard process to correct LEA  
23 noncompliance. What does this mean, specifically?"

24 MS. SHIRAKH: I will probably -- we'll probably  
25 have to get a specific answer for you from CDE. I don't

1 want to misspeak and that's not our agency, so I'm not  
2 absolutely clear on what their standard practice is.

3 MS. COLLOPY: A follow-up to that question is  
4 "Will LEAs have to provide copies of contracts, purchase  
5 orders, warrants, requests for qualifications, bids, et  
6 cetera to the SSPI or the CEC?"

7 MS. SHIRAKH: You will not have to do that for  
8 the California Energy Commission. But again, all that  
9 documentation I would imagine would be needed for an  
10 audit, and these will be audited through the normal CDE  
11 process.

12 MS. COLLOPY: "Will LEAs be able to use  
13 resources to hire an energy manager through outsourcing  
14 or will LEAs be required to hire an energy manager in-  
15 house as staff?"

16 MS. SHIRAKH: Okay, so we've answered that. So,  
17 it's silent. Either way is acceptable.

18 MS. COLLOPY: The next question is related to  
19 water. "Are water conservation projects included?"

20 MS. SHIRAKH: If they have an energy component.  
21 If there's an energy savings benefit. Again, they have  
22 to have a savings, not just water savings, not just non-  
23 energy benefit savings, but there needs to be an energy  
24 savings benefit connection.

25 MS. COLLOPY: The next question "If an LEA has

1 already done a lot of energy efficiency can they apply  
2 all of their funds to solar projects?"

3 MS. SHIRAKH: In the expenditure plan we will  
4 have a certification box that says that you have done  
5 energy efficiency and we will actually have you list  
6 what those energy-efficiency benefits are.

7 And also, those renewable projects would also be  
8 required to meet the SIR cost-effectiveness criteria.

9 So, I would say yes if you fit into those two  
10 criteria, those two standards.

11 MS. COLLOPY: "If funds are not requested by an  
12 LEA in the current year, can they roll over to be  
13 requested in future years?"

14 MS. SHIRAKH: Yes. That's a repeat of a  
15 question we've had.

16 MS. COLLOPY: "How will you handle facilities  
17 that are being moderated" -- I'm sorry. "How will you  
18 handle facilities that are being modernized or new  
19 construction where historical energy data may no longer  
20 be relevant to the new, modernized facility?"

21 MS. SHIRAKH: That's a good question. So,  
22 for -- I should make it clear that this program is for  
23 retrofit of existing buildings so, yes, that's a valid  
24 question for a major modernization. And that's, I  
25 think, one of those unique situations we'll have to

1 consider.

2 This program does not provide equipment for a  
3 new construction project.

4 MS. COLLOPY: "If (inaudible) -- must be broken  
5 out by the site, then won't LEAs run over their max  
6 number of expenditure plans per year? For example, a  
7 large district may want just the lighting retrofit  
8 across 20 sites. How will that work? The reason for  
9 doing one measure across multiple sites is to get the  
10 best pricing, so this is a very real situation."

11 MS. SHIRAKH: Yeah, we understand that and that  
12 the challenge is that we have to -- these projects need  
13 to show energy savings and we need to show the --  
14 compare it by site. We really have to have it broken  
15 down by site.

16 Regarding the comment, you know, will we exceed  
17 the four expenditure plans per year, again that -- you  
18 know, that's an area that we could possibly, you know,  
19 consider other options. And so if we hear that comment  
20 often, maybe we will reconsider that.

21 But, you know, at this point we were trying to  
22 limit -- providing LEAs with large allocations some  
23 flexibility, also minding that the Energy Commission has  
24 a workload issue in reviewing all these expenditure  
25 plans.

1 MS. COLLOPY: The next question is "The CEC may  
2 have to review thousands of expenditure plans in a  
3 single fiscal year. What is your estimated turnaround  
4 time for approval of a plan? How will the CEC ensure  
5 timely review of the approval of a plan? And will you  
6 consider contracting of a third party to perform the  
7 technical review of the plans and interact with the LEAs  
8 and CDE to correct any problems?"

9 MS. SHIRAKH: That's a three-point question.  
10 The third point, at this point we're not planning to do  
11 outside contracting. We're planning to have the Energy  
12 Commission staff. We are going through a process of  
13 hiring additional staff to manage this. We do  
14 recognize, like I had said before, that this is  
15 definitely a workload-intensive program.

16 How long is it going to take us approve an  
17 expenditure plan? I think that really -- the devil's in  
18 the details. If an LEA submits an expenditure plan with  
19 all the required materials, we could be able to do it.

20 If we get expenditure plans that don't have  
21 supporting documentation or have information missing,  
22 that definitely adds to the time of going back and  
23 forth, and getting that information, and processing  
24 that.

25 So, you know, it's really hard to -- you know, I

1 don't have a crystal ball and so I really can't tell you  
2 that at this point in time.

3           One thing just to note, though, is that when the  
4 Legislature did pass this law, the Energy Commission was  
5 given a few positions to do this work. So, that's when  
6 we are hiring new people, those are additional positions  
7 just to handle this Prop 39 expenditure plan review  
8 workload.

9           The next question is the CEC -- oh, I'm sorry, I  
10 just answered that question. "Will the Prop 39 projects  
11 be subject to the new AB 1565 prequalification  
12 requirements and the energy (inaudible) -- for the  
13 provisions set forth in the Government Code be used for  
14 Prop 39 funds?"

15           I did note that the sole-source requirement is  
16 definitely an issue that folks are concerned with. So,  
17 I kind of ditto the same response I've had on this  
18 question.

19           The next question is rather confusing, but it's  
20 about the calculation for the energy planning  
21 reservation option on page B. Some folks think this is  
22 a concern. LAUSD has approximately 825 sites, with a  
23 scoring allocation maximum of \$850,000 through 1718, and  
24 we'll fund the (inaudible) -- site.

25           It says, "This does not seem equitable given the



1 size of their school district. What are -- we are seven  
2 times the enrollment of the next largest school  
3 district. Can the planning dollars amount be increased  
4 proportionally in order to accomplish activities over  
5 the five-year period or for the five-year period?"

6 And, you know, the challenge of this program,  
7 obviously, is that we have LEAs, you know, huge ones  
8 like LA Unified School District, then we have little  
9 charter schools that might have five children.

10 And so, obviously, one size doesn't fit all.  
11 And this is, you know, a time to collect public comment  
12 and we will take that under consideration.

13 So, again, please make your public comment by  
14 the public comment date so that we can consider this  
15 question in the final drafting of the guidelines.

16 "Will the guidelines apply for all five years of  
17 the program or should we anticipate updates for every  
18 year of the program?"

19 I think we will have a fix to this once this  
20 comes out. Whether that's a yearly thing, I don't know.  
21 But with a program as complex and with this much  
22 funding, I will imagine that we will have revisions to  
23 this once it's out.

24 But again, it's important that you all sign up  
25 for the Prop 39 list serve with the Energy Commission.

1 If any guideline changes were to occur, we would use  
2 that list serve to communicate with our stakeholders  
3 about any changes and your opportunity to participate in  
4 any changes.

5 And any changes will also have to go through an  
6 Energy Commission Business meeting, which is publicly  
7 noticed 30 days in advance, so we would follow all the  
8 normal protocol.

9 You know, we're doing our best not to have that  
10 happen but, you know, again --

11 The next question is "If an LEA has already  
12 documented as much as 20 percent reductions in  
13 electricity use prior to the program, will be in effect  
14 a (inaudible) participant?

15 I don't -- you will not be punished for that.  
16 You know, kudos to you for doing so much energy  
17 efficiency already.

18 Use this opportunity and, you know, if you have  
19 all -- again, following that sequencing of facilities,  
20 if you're done all your energy efficiency the next line,  
21 you know, the next priority is looking at renewable  
22 energy generation. So, see what you need for other  
23 facilities and go through that sequencing process.

24 Here's a question about "Would an LEA be  
25 financially liable if not meeting the energy savings

1 anticipated after a project has been completed?"

2 And I think we've answered that and that will  
3 definitely be a clarification question.

4 "If we install energy-efficient air conditioning  
5 systems that use a lot less energy, but then we have a  
6 year that's very hot how will the two options you  
7 mentioned accommodate the change in weather so that the  
8 report still shows energy savings, i.e. increased usage  
9 of energy?"

10 And again, we've answered that.

11 The next question is "Are projects' soft costs  
12 included?"

13 Project soft costs design is included as far as  
14 an acceptable project cost for your energy project. So,  
15 it would be an acceptable cost to include in the total  
16 project cost.

17 "Who would complete the financial audit of the  
18 program? Also, is this required generally or at the end  
19 of the program?"

20 So, again, it's California Department of  
21 Education's auditing process. And we've had several  
22 questions about that so there will be some  
23 clarifications on what that audit process is, and what  
24 are the consequences if you're found in noncompliance.

25 The next question is "Currently our public

1 energy utility members, the CMUA, provide an annual  
2 report to the CEC as required under SB 1037 to track  
3 energy-efficiency improvements for commercial and  
4 individual businesses, and residential customers. Will  
5 our utility continue to track these energy-efficiency  
6 Prop 39 projects under SB 1037?"

7 I don't know how to answer that question. We  
8 will definitely need clarification of that from the  
9 folks in the Commission who work on this, on the  
10 programs. So, we will definitely be putting that in our  
11 Q&As.

12 "If a school is eligible to submit a five-year  
13 plan, are you saying that the allocation for the plan is  
14 tabled in the first year?"

15 Good clarification question. So, you can put  
16 together a five-year plan. In receiving your first-year  
17 allocation and having anticipated what those second,  
18 third, fourth and fifth year allocations would be, but  
19 you would not actually be receiving the five years.

20 Obviously, we would have to revisit that plan to  
21 see, as the years go on, to make sure the allocations  
22 are matching the projections and the projects are still  
23 identified as projects that you would still need to do.

24 Another question is "How do you intend to match  
25 billing data with the meter in order to get school-level

1 energy usage data? We are worried that the utility data  
2 is at the meter level and we've had experience trying to  
3 do this type of matching."

4           Yeah, we do understand that there is -- you  
5 know, metering can be complex. It doesn't necessarily  
6 match a specific building. Campuses have multiple  
7 meters. Campuses have one meter. Even understanding a  
8 meter might go over two campuses.

9           So, we will have to -- we're having to consider  
10 these more interesting, you know, metering building  
11 situations. And we are working with the utilities to  
12 try to hammer out those kinds of situations. And once  
13 we have clarity on how the matching will work or how it  
14 works with your buildings we will, again, be providing  
15 further clarification to you through our Q&As.

16           MS. COLLOPY: The next question is "Please  
17 repeat the date for retroactive limitations for  
18 projects? I believe you said December."

19           MS. SHIRAKH: Yeah, so if a project is through  
20 the expenditure plan process it will be December, the  
21 date that the guidelines are approved. Right now that's  
22 meant to be December 19th.

23           For, I'm going to repeat, the planning dollars  
24 the retroactive limit is when the legislation was  
25 approved and that is July 1st.

1           So, you could use your planning dollars to pay  
2   for activities that happened between July 1st and when  
3   these planning funds will be available in  
4   October/November.

5           MS. COLLOPY: The next question is "What happens  
6   to LEA funds that are not applied for in a given year?  
7   Do those funds rollover to the next year of the program  
8   and increase the overall funding level or just given  
9   back to the State?"

10          MS. SHIRAKH: Yeah, and again we've answered  
11   that. They will be held in reserve for the LEAs.

12          MS. COLLOPY: "What question and answers  
13   (inaudible) -- Prop 39 during October and November, if  
14   not could they be?"

15          MS. SHIRAKH: Yes, they will be.

16          MS. COLLOPY: And again, the Q&As are going to  
17   be living, breathing documents and we're going to be  
18   adding to those on a regular or routine basis so that  
19   all of these nuances that you're asking about can really  
20   be fleshed out and then documented for your assistance.

21          "How many monetized NEBs are in the  
22   (inaudible)?"

23          MS. SHIRAKH: Well, we're using a standard adder  
24   of 3 percent for non-energy benefits, that's NEBs, so  
25   that would be looking at all kinds of non-energy

1 benefits. Health, safety, you know, indoor air quality.

2 We did some analysis and we're looking at all  
3 the various adders that different energy projects have  
4 and that was a percentage we felt comfortable with. And  
5 so it's kind of a general adder to all projects.

6 MS. COLLOPY: Here's a question asking if "Are  
7 these State or Federal fund grants?"

8 MS. SHIRAKH: These are State. This is through  
9 a change in corporate tax code that happened through  
10 Prop 39 and was approved by the State of California last  
11 November.

12 MS. COLLOPY: "Regarding the requirement for  
13 data analytics, such as no-touch energy audits, to  
14 receive validation from a local utility is validation  
15 required from just one utility in the State or is it  
16 required for each region, territory in which the  
17 analytics is being used? Is there any guidance on what  
18 validation is sufficient?"

19 MS. SHIRAKH: Yeah, for this first year we  
20 really don't have any valid guidance for what validation  
21 is. The intent is this is definitely an area we plan to  
22 expand on as the program is underway. And we hope to  
23 have more guidance on that on years two through five.

24 MS. COLLOPY: There's just a comment out there  
25 that it would be helpful if the CEC would provide a

1 response to these questions on our website.

2 And again, we will be providing responses to  
3 these questions and other frequently asked questions on  
4 the Prop 39 website, which is on the Energy  
5 Commission's, you know, main website. So, yes, the  
6 responses will be posted.

7 "Public Resources Code Section 26233(d) state:  
8 'For every LEA that receives over \$1 million pursuant to  
9 the subdivision, not less than 50 percent of the funds  
10 shall be used for projects for the \$250,000 and achieve  
11 substantial energy efficiency through the energy and job  
12 benefits.'

13 As a Tier 4 district, (inaudible) -- based  
14 project will force a very inefficient approach to the  
15 more expensive and time consuming.

16 Where in the law is the project required to be  
17 at a single site?"

18 MS. SHIRAKH: So, again, this question has  
19 come up and I -- it is not in the law, but it is a  
20 specific -- we've had a lot of discussions around this  
21 and at the moment it's site-specific. This may change  
22 if we get a lot of comments on this.

23 I think the logic was that it was a really great  
24 way to try to get deep retrofits in a school site by  
25 having that investment. Also, the requirement that



1 we -- we have to document the Energy Commission's  
2 website.

3 But again, these are draft guidelines and we're  
4 open for comment. And, you know, if we see this as a  
5 repeated comment, then that gives even more merit to  
6 considering the changes to those requirements.

7 MS. COLLOPY: The next question is "In your  
8 experience do you see LEAs apply for funds have already  
9 identified the schools to receive the upgrades or are  
10 you expecting the benchmarking to actually help identify  
11 the opportunities?"

12 MS. SHIRAKH: I think there's a variety of  
13 situations out there. I don't think there's a one-size-  
14 fits-all. I think some it will help and some have  
15 projects identified, and some have no idea.

16 MS. COLLOPY: The next question is "What happens  
17 to any funds not expended after the fifth year of the  
18 program -- at the fifth year of the program?"

19 MS. SHIRAKH: We will get back to you on that.  
20 I'm not sure what that situation is on that.

21 MS. COLLOPY: The next question is about  
22 benchmarking. "The criteria states that only the school  
23 sites applying for Prop 39 funds need to be benchmarked.  
24 Doesn't this contradict the benchmarking exercise in  
25 which you benchmark all of your service accounts, and

1 then analyze the data to figure out which facilities  
2 would best use the Prop 39 funds?"

3 MS. SHIRAKH: We encourage you to do that. We,  
4 again, are trying to stay flexible, leaving that an  
5 option for LEAs, but not a mandate. So, again, we  
6 encourage that but we are only requiring to see that  
7 energy index or intensity metrics for the ones that are  
8 funded.

9 MS. COLLOPY: The next question is related to  
10 training. "Much of the building operation is not  
11 fulfilled by classified employees, but rather by  
12 teachers that control over energy use in their  
13 classrooms. Would recommend opening the training to  
14 train all facility and staff, not just classified  
15 employees."

16 MS. SHIRAKH: Again, this is part of the statute  
17 language in the statute. We don't have the authority to  
18 change that. And at least for this first year we have  
19 to abide by those rules.

20 MS. COLLOPY: So, if you want to get your  
21 comments on the record, you can take your comments to  
22 the docket related to this. And if there is a  
23 legislative change in the future, this is something that  
24 can be considered.

25 "Currently, the guidelines treat LEAs equally

1 with respect to publicly-owned leased facilities without  
2 separate meters. Where are those LEAs must coordinate  
3 to submit a combined request for planning a project or  
4 expenditure award.

5           Would there be an additional consideration given  
6 to the LEA which owns the property, given the transitory  
7 nature of the charters? So, like in LA School District  
8 had a number of charters co-located on the site with  
9 agreements for one or two years only. What happens if  
10 the charter leaves the site and the space is no longer  
11 used for that intended purpose? Can a charter then  
12 generate funding based on enrollment, which includes co-  
13 locating sites, use those funds in another one of its  
14 charters?"

15           MS. SHIRAKH: The charter school complexity is  
16 really -- it's a huge thing. And the leased facilities,  
17 we may have to have further clarification in the  
18 guidelines to address the nature of charter schools and  
19 the fact that they may not be there as long as the -- as  
20 a typical school.

21           So, point taken and thank you for your comments  
22 to show that there is a lot of complexity in this.

23           MS. COLLOPY: We encourage your questions  
24 regarding the charter schools, in order to get clarity I  
25 encourage you to make comments through the docket so

1     that those are in the record and can be considered when  
2     we change or before we finalize the guidelines.

3             The next question is "How do you define LEA  
4     school?"

5             MS. SHIRAKH: LEA School. So, LEAs are a school  
6     district, a charter school, a county office of education  
7     or a actual -- a special -- a State special school.

8             And that's on page 5 of the guidelines, under  
9     eligible applicants.

10            And so maybe some of the confusion there is  
11     we're really using the word "LEA" and not LEA school.

12            MS. COLLOPY: Can an LEA install renewable  
13     energy before they do available energy-efficiency  
14     measures if they meet the SIR and have considered all  
15     aspects of the program?"

16            MS. SHIRAKH: I think we've answered that. So,  
17     there are two ways of doing, of documenting or having  
18     that renewable energy project as part of your  
19     expenditure plan. But you would definitely have to  
20     certify through the expenditure plan that you have done  
21     energy efficiency, and then meeting the SIR  
22     requirements.

23            MS. COLLOPY: "Does DSA's structural  
24     requirement, beyond the basic cost of the energy  
25     projects included as an allowable cost? Allowable cost

1 means any DSA-required structural requirements for  
2 energy projects."

3 MS. SHIRAKH: We are aware that there are DSA  
4 triggers that have -- that add to the cost of your  
5 projects and we are working with DSA. We will have some  
6 clarification language in the final guidelines.

7 MS. COLLOPY: If an LEA has a large  
8 modernization project that includes eligible energy  
9 projects do the energy projects need to be contracted  
10 separately?"

11 MS. SHIRAKH: Well, I guess my response to this  
12 would be you would need to be able to document the  
13 energy savings and the cost of those projects. And if  
14 you can pull that out of your existing contract, then  
15 that would be -- you wouldn't have to do separate  
16 contracting.

17 We're not asking you to do separate contracts.  
18 We're just asking that that project cost and energy  
19 savings of those projects be identified.

20 MS. COLLOPY: "Are the 2014 supposed to be  
21 expensed in 2014, as well as 2013 awards?"

22 MS. SHIRAKH: I am making -- so, if it's for  
23 energy planning, the energy planning funds that you  
24 request now can be used through this five-year program.  
25 And if you're requesting funding through the energy

1 expenditure plan for project implementation there's not  
2 a requirement that those have to be spent in this fiscal  
3 year.

4           Again, those can -- that project can take and we  
5 know that it does take, sometimes, laps over to multiple  
6 fiscal years to install.

7           MS. COLLOPY: The next question is "With up to  
8 1,000 LEAs submitting expenditure plans at approximately  
9 the same time, how long do you anticipate taking to  
10 review, to approve these plans?"

11           MS. SHIRAKH: And I think we've addressed this  
12 question already.

13           MS. COLLOPY: "Is there a cost-sharing  
14 requirement from submitting schools or can the whole  
15 project be paid for by Prop 39 funding?"

16           MS. SHIRAKH: There's not a cost-sharing  
17 requirement. We encourage leveraging, but it's not a  
18 requirement. So, Prop 39 funding can be used for the  
19 whole project.

20           MS. COLLOPY: The next question is "Who do we  
21 send our requests for planning funds, e-mails, project  
22 dates, and this due date for October?"

23           MS. SHIRAKH: So, that will come out through  
24 CDE, they will be -- and we will also have that same  
25 information with the link to the CDE webpage. So, that

1 will be a request through them.

2 (Inaudible) -- did the request last August for  
3 the bundling of one- and two-year funding. It will be  
4 available online. But my understanding is that an LEA  
5 can also submit that, not just online. And they will be  
6 providing you that information.

7 MS. COLLOPY: The next question is about the  
8 data information. "Is the CEC developing a specific  
9 CISR form with the IOUs so the schools can sign up  
10 beginning their project in order to minimize any issues  
11 for getting the data?"

12 Furthermore, can a consultant be hired to assist  
13 with the LEAs be included in the CISR so that they can  
14 help manage -- help us manage this better?"

15 MS. SHIRAKH: I am not familiar with the CISR  
16 program. So, I can't speak to that. We can provide  
17 clarification in the questions and answers.

18 MS. COLLOPY: David Cullen (phonetic), I just  
19 took you off mute, if you wanted to follow up on that  
20 question so that we can answer that better.

21 David Cullen?

22 Okay, we're going to go ahead -- David? David,  
23 we're going to go ahead and put you back on mute. But  
24 we will follow up with you on this. You can e-mail me  
25 directly, Christine Collopy, or we'll make sure we get

1 this in the Q&As when we understand the question a  
2 little bit better.

3 The next question is "If the project requires  
4 DSA approval, can Prop 39 funds be used to fund the DSA  
5 requirements that may not be energy related, such as ADA  
6 requirements?"

7 MS. SHIRAKH: Yeah, and that was asked a few  
8 minutes ago and so we'll be providing clarification on  
9 that through the final guidelines.

10 MS. COLLOPY: "Is it only encouraged to leverage  
11 IOU rebates and incentives or required to fund EE  
12 projects?"

13 MS. SHIRAKH: It's just encouraged. There's no  
14 match requirement for the program.

15 MS. COLLOPY: "If utilities' energy-efficiency  
16 programs are leveraged, how would the energy savings be  
17 attributed? Would utilities be able to claim those  
18 savings in their SB 1074 or on the CECD (phonetic)  
19 claiming these savings? We want to ensure that there is  
20 no double counting for the CEC's for planning."

21 MS. SHIRAKH: Well, we will be -- part of the  
22 Prop 39 program is that the Energy Commission will be  
23 reporting to the Citizen's Oversight Board, which will  
24 be created to oversee this program. And we would, you  
25 know, most definitely be coordinating with the utility



1 companies, you know, so there isn't some double  
2 counting.

3 MS. COLLOPY: Yeah, we'll make sure the  
4 attribution is clear on Qs & As as well.

5 The next question is "What do you need from a  
6 utility participating in cost-sharing on Prop 39  
7 budget?"

8 MS. SHIRAKH: There is no cost-sharing  
9 requirement.

10 MS. COLLOPY: "On page 11, the funding sources  
11 that can be used to leverage Prop 39 funds. Can private  
12 investments, like loans and leases, also be used to  
13 leverage Prop 39 funds as is common in ECHO (phonetic)  
14 projects?"

15 MS. SHIRAKH: Yes.

16 MS. COLLOPY: The next question, "Can an  
17 expenditure aware requirement, the Tier 4, for every LEA  
18 that receives over \$1 million" --

19 MS. SHIRAKH: Okay, we've had this question.  
20 Unless there's some specific comment.

21 MS. CLOSSON: -- "does this mean that 50 percent  
22 has to be used on energy-efficiency in total on those  
23 projects or on a single project?"

24 MS. SHIRAKH: So, a single project costs at  
25 least \$250,000.

1 MS. COLLOPY: Okay, so it's a single project  
2 that costs at least \$250,000.

3 "CNUA would encourage the schools work closely  
4 with their local electric and gas utilities on proposed  
5 projects in gathering utility-related data."

6 That's a great comment.

7 "Page 18 says LEAs must provide documentation of  
8 prior validation of technology for data analytics done  
9 in local utilities. What does this documentation  
10 specifically have to contain within it?"

11 MS. SHIRAKH: We will have to provide some  
12 clarification on this first year for that. We had that  
13 question just a few minutes ago.

14 But further development of the analytic  
15 foundation will occur, as I said before, in your  
16 (inaudible).

17 MS. COLLOPY: "How did the service (inaudible) -  
18 - get set at four years and how does this get changed?  
19 I'm unaware of an instance of a changes in lamps every  
20 four years."

21 MS. SHIRAKH: Okay, the equipment on that page  
22 from the database. I will double check with our  
23 engineers, but it's my understanding all the useful life  
24 years on that does come from a standard database that  
25 has done a lot of research on energy-efficiency

1 projects. So, well provide some clarification on that  
2 for you.

3 MS. COLLOPY: And if you have concerns about  
4 that, again, we encourage you to submit comments about  
5 these guidelines to the docket.

6 The next question is "All the restricted-only  
7 hires, as stated on page 15, number 11, use a member of  
8 the California Conservation Corps or can we hire general  
9 contractors to perform the actual physical work?"

10 MS. SHIRAKH: On page 15?

11 MS. COLLOPY: Page 15, Item 11.

12 MS. SHIRAKH: These are just for consideration.  
13 You could hire -- you have your choice of who you hire  
14 for project surveys.

15 MS. COLLOPY: So, on page 15, it's just a  
16 recommendation, it's not a requirement?

17 MS. SHIRAKH: Yes, these 11 items are part of SB  
18 73 and it asks that all LEAs consider, not actually do,  
19 but consider these 11 elements.

20 MS. COLLOPY: The next question is "Can  
21 submeters be expensed as part of the energy planning  
22 reservation in order to perform energy savings and data  
23 analytics?"

24 MS. SHIRAKH: Which one are we on?

25 MS. COLLOPY: "Can submeters be expenses as part

1 of the energy planning reservation in order to perform  
2 energy savings and data analytics?"

3 MS. SHIRAKH: That is something I need  
4 clarification on. That's a good question. We'll  
5 clarify that.

6 MS. COLLOPY: The next question is "Can you  
7 please elaborate on an earlier answer about what can be  
8 included in a single project and single energy  
9 expenditure plans? Did you mean that the SIR must be  
10 applied only in measurable (inaudible) -- to a single  
11 campus, but that more than one project may be included  
12 in a single energy expenditure plan?"

13 MS. SHIRAKH: Okay, so an energy expenditure  
14 plan -- what part of the measure? So, you have -- one  
15 school has five measures, so for that particular school  
16 of the bundled measures has to have an SIR of 1.05.

17 You could have multiple sites on one expenditure  
18 plan. So, say that LEA has five schools on that  
19 expenditure plan, each of those five schools would have  
20 their portfolio of projects. And that SIR needs to  
21 be -- that criteria needs to be met by the school site.

22 MS. COLLOPY: Okay.

23 MS. SHIRAKH: I'm hoping that -- you know, it's  
24 really hard to have this kind of one-way communication,  
25 you know, of question and answers. So, again, I

1 apologize if I'm not being as clear as I should be to  
2 answer the questions.

3 But, you know, basically, an expenditure plan  
4 could come in, it could be one school with one project,  
5 that would be the very basic, or it could have multiple  
6 campuses, multiple school sites, with multiple projects.

7 MS. COLLOPY: Bruce (phonetic), this was your  
8 question. I just unmuted you and feel free if you want  
9 to speak.

10 BRUCE: Yes, the answer to be question there, it  
11 was not quite clear with terminology using the various  
12 phases of the project. So, thank you for that.

13 MS. SHIRAKH: Thank you, Bruce.

14 MS. COLLOPY: Thanks.

15 Okay, the next question is "According to the  
16 allocation outlined in the guidelines and the size of  
17 our district can we have an energy manager and other  
18 appropriate (inaudible) listed in the execution and  
19 implementation of the Prop 39 program?"

20 MS. SHIRAKH: Yes, definitely.

21 MS. COLLOPY: Here's another question about  
22 Government Code 2217 and can it be utilized?"

23 MS. SHIRAKH: I can't answer that. I'm not  
24 familiar with that Government Code. So, you would need  
25 to seek information from your counsel.

1 MS. COLLOPY: The next question is "Do the best  
2 practices cost guidelines, found on page 9, create upper  
3 limits on plan funds? In other words can an LEA, who is  
4 eligible for \$130,000 use that full amount if they want  
5 to do a more comprehensive planning that ends up costing  
6 more than 20 cents per GSF (phonetic)?"

7 MS. SHIRAKH: Okay, so I think I'm understanding  
8 your question, 15 to 20 cents per square foot is the  
9 guidelines for what an ASHRAE 2 level audit would cost.  
10 And the guidelines of 2 cents to 5 cents per square  
11 footage is our guidance for energy surveys and data  
12 analytics.

13 So, those are kind of the limits of how you  
14 would spend your 85 percent of your funding. We just  
15 want to have some parameters that guide both the LEAs in  
16 understanding what the typical costs are, and putting  
17 some limits on what those costs are.

18 MS. COLLOPY: The next question is a follow up.  
19 "If the LEA's (inaudible) -- does not have the staff  
20 capacity to even manage these planning activities can  
21 the energy manager funding award be placed -- released  
22 early and concurrent with the planning funding in  
23 October or November in order to manage the data  
24 collection, benchmarking activities, or planning  
25 activities, et cetera? LEAs may not have the current

1 personnel capacity to be able to coordinate all these  
2 planning activities and create an expenditure plan and  
3 do all the forms."

4 MS. SHIRAKH: I think we've answered that before  
5 but I guess I'm hearing a pattern here. That might be  
6 something we would consider in the energy planning. But  
7 it's really available quite easily as soon as the  
8 expenditure plans are released in December by requesting  
9 that. There's not any up-front documentation that's  
10 required to request funding for an energy manager.

11 But, yeah, I'm hearing what you're saying here  
12 and it will be under consideration.

13 And again, as Christine said many times, please  
14 submit these comments in through the docket process.  
15 That has potentially -- potential changes to the way the  
16 words are right now and some of those rules.

17 MS. COLLOPY: And just kind of a clarification  
18 on what the difference between Qs & As that are posted  
19 on the Prop 39 website, and then submitting a comment  
20 through the docket, just understand, please, that when  
21 you have a question here we're going to be providing  
22 clarification on our website.

23 But these questions and these answers will not  
24 be put through the docket. The docket is a formal way  
25 for the Energy Commission to receive your comment on the

1 official record and for us to consider those when we're  
2 adopting the final guidelines.

3           So, if you feel like you've made the comment  
4 here on this WebEx and you think that's enough, but you  
5 really want the guidelines changed, I just want to  
6 emphasize to you that you must use the docket  
7 information that's on the screen, WebEx right now so,  
8 anyway.

9           Okay, the next question is "Can sole sourcing be  
10 used when the zero interest loan is used and not a  
11 grant?"

12           MS. SHIRAKH: Okay, so I guess when you say zero  
13 interest loan that's our ECAA Loan Program. And the  
14 same SB 73 requirements are going to be for our ECAA  
15 Loan Program because that's the funding source for  
16 these. So, the program opportunity notice will be  
17 available in the next month or so for our ECAA Loan  
18 program because we are having to modify it to mirror the  
19 requirements that are in the Prop 39 guidelines that  
20 we're seeing.

21           MS. COLLOPY: The next question is "Can Prop 39  
22 funding be used for the ADA requirements for private  
23 projects?"

24           MS. SHIRAKH: So -- oh, that's the  
25 DSA. Again, we will be providing some clarification on



1   that because we do understand that there are triggers  
2   with DSA that add to the cost of the projects to meet  
3   ADA requirements. And how can Prop 39 money fund that  
4   and, you know, how that will be worked out.

5           MS. COLLOPY: The next question is on "On page  
6   11, leveraging award funding, is there any consideration  
7   being given to requiring the LEAs to apply for utility  
8   incentives or at least partner up with a local utility  
9   to take advantage of the energy-efficiency resources  
10  available from the utilities?"

11          MS. SHIRAKH: Again, it's not a requirement.  
12  It's not a mandate. It's encouraged.

13          MS. COLLOPY: We're take a go-ahead in terms of  
14  questions from an Andrew Nalen (phonetic). I'm going to  
15  take you off mute, Andrew, and if you want to go ahead  
16  and state your question?

17          MR. NALEN: Sure thanks. Just a follow up to  
18  the question about the planning part of it, the cost  
19  guidelines, the question really was are those hard  
20  funding limits or are those just truly guidance? For  
21  smaller facilities an audit may end up costing you more  
22  than 20 cents per square foot. And if you can only go  
23  for 130 K, you know, but (inaudible) -- will never get  
24  to 130K if it's truly limited to 20 cents per GSF.

25          MS. SHIRAKH: Okay, thanks for that question

1 because the way that I answered it was still kind of  
2 unclear.

3           These are our funding -- it's my understanding  
4 that these are funding limits. And so it's more than  
5 just guidance and direction.

6           But, so we'll provide clarification if I'm  
7 understanding that incorrectly.

8           MR. NALEN: Okay.

9           MS. SHIRAKH: But, you know, typically through  
10 our Bright Schools Program, and that's a program that's  
11 been here at the Energy Commission for over 30 years  
12 we -- our audits fall within that, actually a little  
13 lower than 15 cents. So, we felt that the range of 15  
14 cents per square foot was generous or would accommodate  
15 that.

16           I do understand that you have a remote site, a  
17 small site. There are additional costs, you know, to  
18 get to these hard-to-reach places. But these are some  
19 limits that we are putting out there for these various  
20 types of project identification vehicles.

21           MR. NALEN: Thank you.

22           MS. COLLOPY: And there's a question about --  
23 thank you.

24           There's a question about when will this  
25 presentation be made available on our website?

1           We'll post this presentation on the website in  
2 the next day or two. We'll also put it over the list  
3 serve. So, again, sign up for the Prop 39 list serve  
4 and when we post this onto the website it will be  
5 triggered and you will be notified.

6           The next question is -- okay, hold on, we just  
7 have a lot of unmuting comments.

8           Okay, there's a question, "When we do the  
9 replacement will we have to replace the ceiling at the  
10 same time? Will Prop 39 pay for ceilings?"

11           MS. SHIRAKH: I'm quite sure I'm understanding  
12 that whole question. Maybe we can see if (inaudible)  
13 Ying is available to -- okay, we can unmute you, Ying,  
14 and maybe you could clarify that.

15           MS. YING: Can you hear me?

16           MS. SHIRAKH: Yes I can, thank you.

17           MS. YING: Okay, that's great. Okay, I missed  
18 the words of the lighting. If I replace the lighting,  
19 sometimes the ceilings go all over and we would replace  
20 the ceiling at the same time. So, the ceiling certainly  
21 is not an energy-efficiency related item, but can that  
22 be paid for it? Otherwise, we have to -- because  
23 reporting the expenditure would be pretty tedious.

24           MS. SHIRAKH: Yeah, it's probably not the answer  
25 you want to hear, but I think this is really geared

1 towards specific energy equipment. And I do understand  
2 that you might have that, but it's really looking at  
3 the -- for lighting we're looking at lamp, ballast and  
4 fixtures, and not expanding that out to a whole ceiling  
5 replacement.

6 MS. COLLOPY: Did you have a follow up or --  
7 Ying? Okay, thank you.

8 MS. SHIRAKH: Thank you.

9 MS. COLLOPY: The next question is "Can you  
10 explain how districts go about requesting planning and  
11 (inaudible) --?"

12 MS. SHIRAKH: Okay, so it's going to be a pretty  
13 simple request and that will be available through CDE's  
14 website. And we're just not going to see a lot of  
15 analysis. I don't think there's any analysis required  
16 to specify your request.

17 It's just following the funding limits in the  
18 guidelines and just saying how much you want.

19 MS. COLLOPY: "How do you monetize energy use  
20 around energy benefits in the SIR population?"

21 MS. SHIRAKH: I think we've addressed this. It  
22 is in the appendix, but it's 3 percent. And that is  
23 taken off of the -- it's the 3 percent taken off the  
24 cost of the energy project, so the actual -- that's how  
25 we're looking at the non-energy benefits. You know, I

1 think it's in Exhibit D, the actual formula. Exhibit E,  
2 the ratio calculation and the non-energy benefits, which  
3 is basically 3 percent of the project installation cost.  
4 And that's the adder that we are considering.

5 MS. COLLOPY: All rightly, there is -- I think  
6 we've had this question before but there might have been  
7 too much static for Marie (phonetic) to hear this.

8 "Can an LEA install renewable energy before they  
9 do any efficiency measures if they meet the SIR and have  
10 considered all aspects of the program?"

11 MS. SHIRAKH: Yeah, so my response to that was  
12 you would need to -- in the certification section of the  
13 energy expenditure plan there will be a question that  
14 says what energy-efficiency measures have you done in  
15 your facility over the last X amount of years?

16 And that would provide, you know, kind of the  
17 justification for wanting to spend Prop 39 funding on  
18 solar, or renewable energy, you know, saying that you've  
19 met that requirement. You've done all the energy-  
20 efficiency you can.

21 And then the second part of my response to that  
22 question was that the SIR criteria, the cost-  
23 effectiveness criteria of the renewable project still  
24 needs to be met by those renewable project that you're  
25 proposing in the expenditure plan.

1 MS. COLLOPY: Okay, we are getting down to the  
2 last half an hour, or 25 minutes. I just wanted to let  
3 you know we are taking all of your questions.

4 We are getting to the end of the questions and I  
5 want to thank Liz for hanging in there with all of her  
6 responses.

7 And if you do have questions, I just want to  
8 give you a last opportunity to key those into the chat.  
9 Alternatively, you can raise your hand, and we can  
10 unmute you, and you can ask your questions aloud. So,  
11 just trying to give you your 25-minute time mark.

12 Okay, we're going to move to the next question.  
13 "Our district needs replaces of HVAC at the school site  
14 and EMS for over \$1.5 million. It is not feasible to  
15 break down the project for five years due to the cost  
16 effectiveness.

17 If the district pools various resources to fund  
18 the project at the beginning, will we be able to use  
19 Prop 39 money from the later years to pay back the  
20 borrowing either internally or through financing?"

21 MS. SHIRAKH: That's a very good question. I  
22 think -- I don't think I can answer that question here.  
23 It's an excellent question and we will definitely have a  
24 response for that.

25 I just don't want to misspeak because that's a

1 very important question.

2 MS. COLLOPY: So, we'll be putting this on our  
3 Qs & As for sure.

4 The next question is "Can the reporting  
5 requirement be site-based, which would actually be  
6 meter-based, and the projects be anything from the site  
7 enterprise-wide?"

8 MS. SHIRAKH: Okay, so they are -- so, that  
9 first bullet on that page is site-based, so it would be  
10 your utility -- the energy usage.

11 So, say you have a school that has two meters,  
12 we would combine those two meters and showing all the  
13 electric use, and then all your natural gas use for that  
14 facility, and combining a site energy use for that 12  
15 months after a project is installed.

16 So, I'm not sure, enterprise-wide? It would be  
17 the whole campus.

18 So, maybe some further clarification, you know,  
19 say you are doing an HVAC project in a building that has  
20 one meter, that your campus as two meters, we're still  
21 going to want to look at that whole campus because we're  
22 using that campus benchmark from pre-project  
23 installation.

24 Again, that's the first requirement for the  
25 energy savings reporting at the end of the project. And

1 then you would go down one more level and report on the  
2 estimated savings of that unique measure or that  
3 project.

4 MS. COLLOPY: This is your question, Tom. I'm  
5 going to go ahead and take you off mute, if you have any  
6 follow-up questions to that answer?

7 TOM: Well, from my perspective, we're getting  
8 perhaps up here because a lot of the requirements you  
9 have are creating implementation challenges for me. And  
10 so, really, the intent of the question was I would re-  
11 lamp my whole district and I would be glad to report out  
12 the energy efficiency based on sites.

13 And again, there's a little bit of nuance there.  
14 I really think that the energy reporting has got to be  
15 meter based.

16 MS. SHIRAKH: Okay, thank you for your comments.

17 MS. COLLOPY: Thanks, Tom.

18 Okay, the next question is "If a project has an  
19 SIR greater than 1.05 and, therefore, not eligible for  
20 Prop 39 funds, can an LEA buy down their project so the  
21 SIR is equal to 1.05 and have at least some of the costs  
22 covered by Prop 39?"

23 MS. SHIRAKH: And it's a case on how that works.  
24 If you have an SIR greater than 1.05 that's fine, that  
25 means you're saving. You can even have an SIR of 4.1.



1 That just means you're saving \$4 for every dollar you're  
2 investing, so that's awesome.

3 It gets problematic when you are saving one  
4 dollar -- or 1.05. So, if you have projects that are  
5 maybe .95 or .8, you can bundle those up with the other  
6 projects on that site, or on that school that have an  
7 SIR of, you know, larger, maybe 3.3, or 2.6. So, we're  
8 looking for that average to be 1.05 or higher.

9 I hope that clarifies that.

10 MS. COLLOPY: The next question is "How do LEAs  
11 provide documentation that data analytics have received  
12 prior technical evaluation?"

13 MS. SHIRAKH: Yeah, I think that's a repeat  
14 question and we'll be providing some clarification.

15 MS. COLLOPY: Okay. The next question is "Are  
16 there limitations to the number or quantity, use of  
17 Bright Schools Technical Assistance Programs by any one  
18 LEA?"

19 MS. SHIRAKH: Okay, so the Bright Schools  
20 Program has been available for, like I said earlier,  
21 about 30 years. And we have LEAs or schools that come  
22 in multiple times and that is still acceptable. The way  
23 we've dealt with this in the past and I'm sure we'll  
24 continue to do this, is if you -- you come into the  
25 Bright School Program and you implement the projects

1 that were recommended in your audit, we welcome you to  
2 come back to the program.

3 So, for example, we've worked with Oakland  
4 Unified School District before and we've gone through  
5 the Bright Schools Program, Oakland Unified would be  
6 eligible to come in again. We're not penalizing any  
7 school, you know, that's been through our program  
8 before. They're welcome to come back through the  
9 program.

10 MS. COLLOPY: You may have answered this  
11 already. "May an LEA, doing SIR calculation use a  
12 portion of cost covered by a utility rebate or other  
13 sources, such as facility improvements?"

14 MS. SHIRAKH: Yeah, so in the calculation you  
15 take from the project costs, we do subtract the utility  
16 rebates or other grant funds.

17 If it's a match with a loan, for example, maybe  
18 you're putting in some of our ECAA loan, we're going to  
19 consider that in the project cost because that is a cost  
20 that the school district or the LEA will be responsible  
21 for repaying.

22 But, yes, we will be -- as part of the  
23 calculations we will be backing out any grant funds or  
24 rebate funds.

25 MS. COLLOPY: The next question is "Do potential

1 rebates from utility companies count as a funding source  
2 for projects or are they considered a bonus that we can  
3 use on projects not included in our Prop 39?"

4 MS. SHIRAKH: Well, as I just described, it is  
5 backed out of the calculation and we're encouraging it.  
6 And, yeah, it's a bonus, your Prop 39 dollars will be  
7 stretched further.

8 MS. COLLOPY: The next question is about Public  
9 Resources Code 26240 which states that the SSPI  
10 (phonetic) will require LEAs to pay back funds if a  
11 project is torn down, or remodeled or if a property is  
12 deemed to be surplus and sold prior to the payback of  
13 the project. Can more specificity be provided on what  
14 this actually means?

15 MS. SHIRAKH: That is language from the SB 73.  
16 And so it's quite a long question here. Let's see, I  
17 think the real -- I guess the message behind this is  
18 that you really want to invest these dollars in a  
19 facility that's going to be around. And, you know, it  
20 doesn't make a lot of sense to invest a lot of money in  
21 a building that's going to be demolished in two years,  
22 and so we're trying to avoid that.

23 The intention behind this is to, you know, fix  
24 the existing buildings in California at our schools that  
25 are going to be around.

1 MS. COLLOPY: The next question is "Wouldn't it  
2 be good to release drafts of the SIR calculators and  
3 other template forms for other comments?"

4 MS. SHIRAKH: Okay, thank you for that comment.  
5 We'll consider that.

6 MS. COLLOPY: "Will LEAs be notified when they  
7 can start applying for planning funds or do we need to  
8 check the Energy Commission's website?"

9 And I think we've covered that process.

10 MS. SHIRAKH: Yes. Just, again, make sure you  
11 sign up for the Prop 39 list serve through the Energy  
12 Commission's website. And it's very simple to do.  
13 There's access that comes on every page on our website  
14 to sign up for a list serve. It has a drop-down menu.  
15 Please look for Prop 39 list serve and then just include  
16 your name and your e-mail address, and you will have all  
17 communicate related to Prop 39 that we release to the  
18 public.

19 MS. COLLOPY: "Can LEAs provide energy-savings  
20 projects to both school sites and admin offices, CEOs  
21 and (inaudible) -- to admin facilities, too?"

22 MS. SHIRAKH: Yeah, there's no restriction that  
23 it has to be a site on the LEA that's only a classroom  
24 instruction. So, office, administrative offices are  
25 definitely eligible and sometimes actually have more

1 opportunities because they're open year-round, where  
2 classrooms are only, you know, more of a nine-month  
3 facility. So, absolutely, they're eligible.

4 MS. COLLOPY: The next question is "If an energy  
5 project requires DSA review, is DSA approval required at  
6 the time of the expenditure plan submittal?"

7 MS. SHIRAKH: I don't think it's required. I  
8 believe we have certification that you will go through  
9 that certification process and we recognize that's a  
10 process, but it doesn't have to be done prior to the  
11 expenditure plan submittal.

12 MS. COLLOPY: The next question is "If an LEA  
13 has just completed a fluorescent light retrofit can they  
14 go to LEDs?"

15 MS. SHIRAKH: If it can meet the criteria.  
16 Again, though, if you've just replaced fluorescents and  
17 say you have 28-watt fluorescent lamps, you know, LEDS  
18 are great but they -- you know, they're so expensive.  
19 So, it might be cost-effective in a 24-hour facility.  
20 So, that might be harder to meet that cost-effectiveness  
21 criteria with the traditional operating hours of the  
22 school.

23 And so I think you just have to see how the  
24 cost-effectiveness comes out of that.

25 MS. COLLOPY: There's a clarifying question, "Is

1 the planning funding award as currently in the  
2 guidelines only for the first year?"

3 MS. SHIRAKH: Yes, it's only available this  
4 first year. The request is only available this first  
5 year. So, we're going to have -- look for opportunities  
6 to ask for it. As I mentioned earlier in the  
7 presentation, the first requests will be available  
8 within the next week or two, followed by a second open  
9 period in January. And if we still hear that there's a  
10 need for an open period, we'll have one in the spring.

11 So, it's just this first year that you can  
12 request this first-year funding for planning.

13 However, that planning funding can be used for  
14 this five-year period. So, you don't necessarily have  
15 to spend it within the first year, it might roll over to  
16 years two and three as you're going through that  
17 planning process.

18 MS. COLLOPY: So, Alice (phonetic), I'm going to  
19 take you off mute right now just to make sure that you  
20 have that question answered for you. So, the first year  
21 is when you get the planning funds. You can use those  
22 planning funds over the five years.

23 Are you there? You probably have us on mute  
24 because I see you talking.

25 ALICE: Hi, can you hear me?

1 MS. COLLOPY: Yes, we can.

2 ALICE: Thanks. The question was so the  
3 planning funding award will not be offered prior to each  
4 year, when we get a new award for the next, the  
5 following year, a portion of that won't be offered?

6 MS. SHIRAKH: That is correct. We really want  
7 to encourage LEAs to start that planning process now and  
8 to use this first-year funding plan out in the future.  
9 And so this is -- and we also really want the Prop 39  
10 dollars to go to projects that are saving energy. And  
11 so having some limitation on the amount of the funds  
12 that go for planning and targeting -- you know, but  
13 having that allowed, but yet seeing years five -- two  
14 through five focused on energy project implementation.

15 ALICE: Okay. For those of us, then, who have  
16 done some preliminary screening and some energy audits,  
17 is the division between the 85 percent versus the 15  
18 percent program assistance, whatever that is, it may be  
19 we need a little bit more flexibility in the energy  
20 planning activities allowed, and then the portion spent  
21 if it's going to be over the five years.

22 What we'll need and what our planning needs will  
23 be year to year to year.

24 MS. SHIRAKH: Okay, again, as Christine  
25 mentioned many times, Alice, if you want to formulize

1 that comment in the docket process, that would be great.

2 MS. COLLOPY: Yeah, because then we can consider  
3 that for changes then.

4 ALICE: Thank you so much.

5 MS. SHIRAKH: Thanks, Alice.

6 MS. COLLOPY: All right, the next question is  
7 "Once an approved plan, energy conservation measures are  
8 installed, what is the anticipating funding release  
9 timeline?"

10 MS. SHIRAKH: Measures are installed and  
11 funding -- so, this is not a reimbursable program. It's  
12 a money-up-front program. So, when you submit your  
13 expenditure plan to the California Energy Commission  
14 we'll be reviewing and approving that plan, and letting  
15 the LEAs know, and also letting CDE know.

16 Then CDE will be cutting the checks through  
17 their Controller's Office and that process, and so  
18 you'll bet getting the funding in advance of actually  
19 doing your project.

20 I guess to what's the anticipated release  
21 timeline, it's my understanding that CDE will be  
22 batching those requests on a quarterly basis, and will  
23 be releasing money to the LEAs that have approved  
24 expenditure plan each quarter. So, again, maybe that's  
25 further clarification on that question.



1 MS. COLLOPY: The next question is "If one year  
2 one plan's project receives the first-year funding  
3 award, can we fund the remainder of the project with  
4 subsequent years' funding?"

5 MS. SHIRAKH: That kind of falls in the same  
6 category as the question we had earlier on paying for a  
7 project and then kind of reimbursing yourselves. So, I  
8 think I'm going to group this question in with that  
9 question.

10 Because I just don't -- you know, I think this  
11 is a -- I don't know quite how to answer that. I think  
12 it's possible but I just don't want to mislead.

13 MS. COLLOPY: So, that is something that we are  
14 going to look into further and then post on our Qs & As.

15 The next question is "Who do we send all this  
16 stuff to for initial planning activity funds, to do the  
17 benchmarking, and you said October, so when is the  
18 deadline for funds to be released in November, or can be  
19 sent the request any time during the month of October?"

20 MS. SHIRAKH: Yeah, so those parameters will  
21 be -- those directions will be given to you by CDE. But  
22 it's my understanding that they'll have like a month  
23 window, because we're getting into October maybe that  
24 will go into November a little bit, but you'll have a  
25 month to request those.

1           So, again, you'll be seeing that information  
2 soon from CDE and it's my understanding it's a very  
3 simple process.

4           MS. COLLOPY: I have a question, Liz. The  
5 California Department of Education is our partner in  
6 this program. Do they also have like a list serve  
7 process or do we take information from them and give it  
8 to our stakeholders through our list serve process?

9           MS. SHIRAKH: The Energy Commission is the  
10 holder of all these questions. CDE does have a  
11 "frequently asked questions" on their website. I'm  
12 remiss for not having that available here.

13           But the Energy Commission's Prop 39 webpage is  
14 the main information source for these questions and  
15 answers.

16           MS. COLLOPY: Okay, great.

17           MS. SHIRAKH: I thank you for asking that.

18           MS. COLLOPY: I have a question, a comment --  
19 okay, thank you.

20           "Are LEAs prohibited from using future year  
21 allocations for planning?"

22           MS. SHIRAKH: Yeah, I think we've answered that.

23           MS. COLLOPY: "Can any portion of funding  
24 received for planning activities in year one be applied  
25 for subsequent years? For example, the money for an

1 assistant?"

2 MS. SHIRAKH: Yes, you can.

3 MS. COLLOPY: And, again, "The planning money  
4 for year one, you can use the planning money over the  
5 five years?"

6 MS. SHIRAKH: Yes.

7 MS. COLLOPY: Oh, someone was asking that they  
8 attended today's webinar and was there any value that we  
9 saw in also participating in an in-person meeting that's  
10 not by webinar?

11 It's the same information, right?

12 MS. SHIRAKH: It's the same information, the  
13 same presentation, and the same format. We'll have  
14 questions and answers afterwards. And various staff  
15 people are doing these, so it's not necessarily going to  
16 be Christine and I at each and every one of these.

17 But the format is the same, the process of  
18 submitting your questions to the docket process is  
19 exactly the same. So, it's really your choice. If  
20 there's one in your local area and you want to pop in,  
21 feel free to.

22 The Energy Commission also has two more  
23 webinars, I believe, scheduled. We have one next  
24 Wednesday, on October 16th. And then on October 22nd,  
25 it's Tuesday, that's going to be run here at the Energy

1 Commission, a meeting, and that is also going to be a  
2 webinar, a WebEx. So, there's two more opportunities to  
3 participate via the WebEx venue.

4 MS. COLLOPY: So, we have another question about  
5 "Can you expand upon the types of activities an LEA may  
6 expend planning funds in Prop 39 program assistance?  
7 This is found on page 10. These give a range of  
8 examples of coordinators, administrators, et cetera."

9 MS. SHIRAKH: So, you know, these -- maybe a  
10 further clarification, these funds could be used for  
11 staff, LEA staff doing this work. This could be third-  
12 party consultants that you hire.

13 So, there's not a restriction on who would be  
14 doing this.

15 As far as further clarification, it's really  
16 Prop 39 program assistance is just a label for the  
17 categories that are described in the activity and like  
18 we've talked about. The main component of the program  
19 is that it requires data from the utility companies, the  
20 release forms, getting all your meters numbered, the  
21 location of those meters, you might need help with that.  
22 The benchmarking, you might need help with that.

23 As Alice brought up, reporting might be  
24 something that we need to add to that list. I think  
25 it's kind of implied because it is a Prop 39 requirement

1 and anything Prop 39 related would fit under that.

2 So, you know, maybe we need to further clarify  
3 this and add some additional information because like  
4 it's definitely a repeat question that's coming up, so  
5 that is an indicator that there needs to be more  
6 clarity.

7 MS. COLLOPY: The next question is "Can energy  
8 savings behavioral interventions be included in the SIR  
9 calculations, such as feedback on energy usage or  
10 training, and prompts for energy conserving, operating,  
11 and maintenance habits? And so, would MNV (phonetic)  
12 results of such efforts in similar facilities serve as  
13 adequate documentation?"

14 MS. SHIRAKH: Yeah, right now I don't -- there  
15 isn't that behavior intervention adder or benefit added  
16 for part of the calculation. I think the non-energy  
17 benefits have -- you know, we've tried to address that  
18 through the 3 percent adder on there. But no, that is  
19 not really built into the calculations.

20 MS. COLLOPY: Okay, folks, we are down to the  
21 last five minutes of the webinar and we are actually  
22 down to the last two questions, as well. So, I'd like  
23 to thank those of you who are still on the call for  
24 hanging in there on the call.

25 The next question is "CEC recently released a

1 funding deadline for two-year grants. Please explain  
2 the difference between this funding and the upcoming  
3 available funding."

4 MS. SHIRAKH: Okay, good question. This is such  
5 a new program. The funding, the two-year grant deadline  
6 that was advertised in August was for the smaller LEAs  
7 that were in Tier 1 and Tier 2. They could request  
8 bundled allocation, meaning that for this fiscal year  
9 they could request the first and second year of this  
10 five-year program, and get that money now.

11 So, for example, if you were in Tier 1 and you  
12 had an allocation of \$15,000 for year one and \$15,000  
13 for year two, you would get \$30,000 this year  
14 allocation.

15 And so when these funding awards are released in  
16 the next week or so, say a school -- school district ABC  
17 put in for that two-year bundle, you're going to see  
18 that their allocation is going to be that two-year  
19 figure.

20 So, I hope that clarifies it. It was just an  
21 opportunity see which LEAs wanted to have that combined  
22 two-year because that affected the allocations of  
23 everyone else.

24 And then next year, just as an adder, if you  
25 have requested that two-year funding, next year you

1 wouldn't be receiving funding because you've already  
2 received it this year.

3 MS. COLLOPY: A question, I think we've answered  
4 this a few times, "Can energy planning funds be spent on  
5 an energy manager?"

6 MS. SHIRAKH: And again, right now, as it  
7 currently reads it's no, it would be a separate request.  
8 However, the activities that are spelled out, you know,  
9 under the Prop 39 program assistance are a lot of the  
10 same type of activities. So, it is a separate category.

11 MS. COLLOPY: The next question is "Can Prop 39  
12 be used to cover wiring costs associated with re-  
13 fixturing?"

14 MS. SHIRAKH: So, I'm going to assume you're  
15 talking about wiring of lamps or lighting fixtures when  
16 you say re-fixturing, so I would imagine wiring would be  
17 a legitimate cost of doing a retrofit project, a  
18 lighting retrofit project.

19 MS. COLLOPY: The next question is -- so Jose  
20 Heccio (phonetic), Jose, I'm going take you off mute, if  
21 I can find you. I'm taking you off mute so you can ask  
22 your question because it sounds as if we did not answer  
23 your question effectively. So, Jose --

24 JOSE: Can you hear me?

25 MS. COLLOPY: Yeah, hi Jose.

1           JOSE: Hi. Yeah, my question was, I guess I  
2 made a statement, I asked the question earlier. My  
3 question is if you have a project (inaudible) that has  
4 an SIR lower than 1.05 then the question is can a school  
5 district buy down the project so that the SIR meets the  
6 Prop 39 requirement?

7           MS. SHIRAKH: See, I haven't had that  
8 discussion. We really -- I think at this point in time  
9 I'd have to answer no, that we really want to see that -  
10 - it's a pretty set, you know, line in the sand that it  
11 has to have that minimum SIR requirement. And there  
12 hasn't been any discussions about, you know, filling it  
13 in with other funding sources.

14           Again, I would just try to encourage -- you  
15 know, we've done a lot of testing of various energy  
16 efficiency projects that we've seen come through our  
17 programs, and as part of these SIR calculators as we're  
18 developing them. And we feel that that's a pretty good  
19 target. It's actually a pretty generous target, and  
20 that most energy-efficiency projects, especially if  
21 you're bundling them together should make it.

22           Obviously, if you've done a lot of lighting  
23 projects and a lot of that low-hanging fruit as some of  
24 the school districts, you know, LEAs have done, and you  
25 have this old boiler that needs to be replaced or



1 something like that, that's going to be a little bit  
2 more problematic and challenging.

3 But we are looking at this as a bundle, a  
4 bundled package.

5 MS. COLLOPY: Does that answer your question,  
6 Jose?

7 JOSE: Yes, it does. Thank you.

8 MS. COLLOPY: Thank you.

9 MS. SHIRAKH: Thanks, Jose.

10 MS. COLLOPY: Okay, we are getting to the tail  
11 end here. I know we have touched all the points, thank  
12 you for hanging in there.

13 "Since this is advanced funding how do we deal  
14 with project overruns and change orders?"

15 MS. SHIRAKH: So, there is a section in here  
16 that talks about that and we have some triggers because  
17 we do recognize that projects -- it's not -- it's very  
18 common. I'm trying to get to the specific page. Page  
19 28.

20 So, for example, if a project costs increase by  
21 more than 15 percent, that would trigger you having to  
22 contact the Energy Commission, and let us know, as  
23 looking at that expenditure plan and kind of -- because  
24 these do have to be cost-effective.

25 So, please look on page 28, you have five

1 bullets that kind of trigger the need to reassess an  
2 expenditure plan.

3 MS. COLLOPY: Okay, I'm going to take Steven  
4 Cole (phonetic) off mute right now. Steven, I know you  
5 have some questions about your facility.

6 Steven? Take us off mute for you, perhaps.  
7 There we go. Steven?

8 Okay, we're on mute on your phone. We heard you  
9 for a brief second. Okay, Steven, are you there?  
10 Steven?

11 Okay, we're going to have to go ahead and put  
12 you back on mute. So, we will follow up with you. I  
13 have your phone number and we will follow up with you.

14 "On page 41 of Appendix D, I see the priority  
15 one project example for providing energy efficiency  
16 where this project didn't include the behavior  
17 modifications.

18 Thank you for recognizing the behavior of these  
19 programs can result in substantial savings, maybe 10  
20 percent.

21 May we put forth clarification of parameters for  
22 this type of operational efficiency project?"

23 MS. SHIRAKH: Yeah, I can't really provide that  
24 clarification right now, but I will --

25 MS. COLLOPY: So, I'm hoping that you can hear

1 that response because we're getting a little bit of  
2 feedback. So, thanks for your comment.

3 Okay, we are down to the last question.

4 Actually, that was our last question.

5 So, thank you all so much for your wonderful  
6 questions. We will be addressing the questions on the  
7 Q&A.

8 I will turn this over to Liz to go ahead and  
9 close out our webinar today. But thank you for your  
10 patience with our technical difficulties and for all of  
11 your great questions.

12 MS. SHIRAKH: Yeah, and I'd just like to chime  
13 in and say the same thing. Thanks so much. This was a  
14 three-hour meeting, it's kind of taxing doing it by  
15 phone, and I apologize for some of the feedback we had  
16 on the audio part at the beginning, but I think it went  
17 well. Hopefully, it was as clear on your end as it was  
18 on ours.

19 So, thanks again everyone for participating and  
20 we look forward to seeing any -- you know, your comments  
21 through the docket process.

22 MS. COLLOPY: Thank you so much.

23 MS. SHIRAKH: Bye-bye.

24 (Thereupon, the Webinar was adjourned.)

25 --oOo--